

TRANSCRIPT

SOP Working Group Telephone Conference

15 May 2014

Attendees:

Roelof Meijer, .nl (Chair)
Rosalia Morales, .cr
Paulos Nyirenda, .mw
Leonid Todorov, .ru
Hong Xue, ccNSO Councillor

Staff:

Bart Boswinkel
Xavier Calves
Kristina Nordström
Taryn Presley

Apologies:

Debbie Monahan
Peter Van Roste

Roelof Meijer: Let's start. Otherwise, we will be too late there. So how many people do we have on the call? Four.

Unidentified Participant: We have more.

Roelof Meijer: Okay.

Unidentified Participant: Should I do a roll call?

Unidentified Participant: Yes, please, do so.

Unidentified Participant: From the (inaudible) on the phone we have Roelof Meijer, Rosalia Morales, Paulos Nyirenda, Leonid Todorov, and Hong Xue. We're trying to dial her in at the moment. From staff we have Bart Boswinkel, Xavier Calves, and Kristina Nordstrom. Apologies from Debbie Monahan and Peter Van Roste. And we also have Taryn Presley from staff.

Roelof Meijer: Okay. Welcome, everybody. We have set the agenda. It's also on the screen in the Adobe room or (inaudible), or out of the screen. For those who don't see it or can't see it, I'll just give the recap. We have the recap of the planning for preparing submissions to the operational plan and budget. It's the first or the second after the welcome item on the agenda. Main part of the agenda will be taken by Xavier's (ph) presentation on the operational plan and budget. Maybe

this (inaudible) here, whom of the people on this call have attended in one of the finance calls that we had last Monday and I think last Tuesday?

Unidentified Participant: One.

Roelof Meijer: Only one. Okay. So then there's definitely a need for Xavier's presentation. We will do a Q&A afterwards if that works best for Xavier, but if we have pressing questions during the presentation that might also be an option. I don't know how you want to handle that, Xavier. Do you want to have the presentation and the Q&A in succession or simultaneously?

Xavier: I think it's easier in succession. What we have seen working well is that at the time anyone has a question, fi they put them in the chat room so that it's being recorded at the time it occurs and then we can go back into the chat room when the presentation is done to go over those questions. Half of the questions that I see being introduced actually find their answers later in the presentation. So that's -- I think it's a slightly more efficient process.

But if there is a major misunderstanding or need for clarification on the slide because it's just not understood, I think it's probably worth stopping then and making sure that it's understood and then continue.

Roelof Meijer: Okay. Excellent. So let's run the process that way and make a distinction between the questions. If we do it, yes, just (inaudible) number. Or and that we do during the presentation because we just don't get (inaudible).

Then after that, we will have a recap of our process for comment on the strategic growth, strategic plan, just check how far we are and if we have to get a (inaudible). Any other business and then we'll close. We have one hour. So --

Unidentified Participant: You tell me, Roelof, how much time you want to allocate to the presentation.

Unidentified Participant: As much as possible. Yes, Roelof, go ahead. You have that question.

Roelof Meijer: Yes, we have (inaudible) point number five, the recap of the planning of our submission to the ops plan. Is it you who is going to do that?

Unidentified Participant: Yes, I got both. I've sent Kristina a slide or two slides, in fact, including the planning. So Kristina, if you could produce the first slide or the slides I sent you.

Kristina Nordstrom: Yes, I have (inaudible) on the screen. I have to be approved.

Unidentified Participant: (Inaudible) you get the floor and Xavier. This only will take a minute. But so everybody is aware of the planning process (inaudible) we call it again. And at the end, we'll do the second one again. Go to the next slide, please, Kristina. Okay. So this is an ops plan and budget planning for everyone to see. As you will see, the target date for submission is the 16th of June, prior to the ICANN meeting in London and to allow both the community, our community and ICANN staff to say, Xavier and his team, to use and make -- for their benefit as well so they can take into account the comments of the SOP working group.

In order to reach that date, it is probably required that the SOP teams, and you've seen the SOP teams after this call, I will send out an email again to the list regarding the SOP teams that they submit their comments by the 9th of June to me and Roelof in order for us allow consolidation of these comments on the 10th and 11th of June. And then there will be a review by the SOP on the 12th and 13th. So that week will be pretty busy. So if you can more or less take this into your schedule, that would be great.

As said, the goal is to have the submission ready by the 16th of June so Roelof can submit it into the process and make it public. That's the overview of the planning. As you know, we have divide -- the SOP has been divided in teams and we hope and expect that the team coordinators will more or less lead the teams and get the submissions ready by the Monday, the 9th of June.

That's all. Over to you, Roelof, and maybe Kristina, can you make Taryn again, or Taryn can you share your screen again for Xavier. Roelof?

Roelof Meijer: Okay. Well, that's fine. I think we really go onto Xavier's presentation then (inaudible).

Xavier: Sorry, Roelof, did you indicate how much time you would like to dedicate to this?

Roelof Meijer: It's now quarter past, so we have another 45 minutes. Let's say that we will take 10 minutes for recap, any other business, closure. So you have something like 30, 35 minutes.

Xavier: Okay. Thank you.

Roelof Meijer: That's including the questions. So your -- well, take something like 20, 25 minutes for the -- we don't have to go through the whole document. I think you do the same way as you did for the finance community call.

Xavier: Okay. And I'll try to be a bit shorter than that because -- so that we do have time. Two preliminary comments. So as Roelof has indicated and as some of you may have seen, we have held by now three kickoff calls with the community, which are aiming at doing very similar -- achieving a very similar objective to this one, which is providing an understanding of the structure of the information that is submitted for public comment. It is less a content presentation rather than a format and structure presentation and allowing a certain amount of understanding of that information as it is published.

These calls are open to anyone, but we inform the existence of those calls through the community finance distribution, e-mail distribution list that we have and the more people we can have on this list, the more possibility we have to have people attending those calls and that help the understanding of the documents. As a result, and because we are now in a public comment process, questions during these calls on substance or on content need to be public and we are putting together an FAQ document that will be published after the last call, which is scheduled for next Tuesday.

And as a result, I want to be careful with the attendance of this call today that it's difficult for me to answer specifically substantive or content oriented questions, which ideally would be put through the public comment process and website. So if you have questions on substance, I will probably direct you there and of course, I will answer if I can right now. But I wanted to give you that preamble on the structure of the calls and I would like going forward that we can as much as possible address the need for information and start the process of public comment through those general takeoff calls in the future.

Roelof Meijer: Xavier, just as a bit of guidance, the people that you have on the call now, we have quite a bit of experience now looking at budgets and other plans from ICANN. This one is structured differently, but we know the basic principle. So maybe you can spend a little less time on explaining the structure to us, unless we get questions on that, and spend a bit more time on the actual content.

Xavier: And so that's what I wanted to point out is I want to be very careful, Roelof, that I do not want to provide information that I have not provided or that's not available publicly at this stage.

Roelof Meijer: No, no, no. I'm not at all suggesting that.

Xavier: Okay.

Roelof Meijer: But for instance, just I think it would be good if you provide us also with the most important bits of the budget, for instance. They are in the presentation -- they are in the document, but you can highlight areas that you think are quite different from last year or our temporary, or for any other reason interesting to note.

Xavier: Understood. Will do. Thank you. Another preliminary comment, I'll try to be quick. You have noticed that we have published this document on May 8. The original target date for publication was April 24. Two main reasons that drove that delay. The ANTIA announcement of March 17 happened about towards the end of our draft budget development process, and the finalization phase basically. And it has led us to need to change a bit our process and spend more time at the time of finalization to accommodate the required of resources as a consequence to the process that's been initiated following that announcement.

So our phase of finalization of the budget process has been affected and delayed as a result of that just because we needed to work more on it, because there was a significant new element to take into account to finalize the numbers. So it's been a bigger disruptive.

In parallel and in addition, not just for that reason, but because the BFC, the board finance committee has -- the reviews that we've done with the board finance committee have taken a few reiterations for the right reasons, for ensuring that the BFC has adequate, and in depth understanding of the information relative to the budget, this process has taken longer than originally planned in the timing. And therefore has led us to want to be able to complete that that communication process with the BFC, and therefore delay the publication. I will come in a minute to the consequence on that publication date. This also shows that any deviations in the process because of unplanned event immediately trickles or creates a pressure on the timeline that is unsustainable and leads to delays. And this is another evidence, if need be, that our timeline, our overall planning timeline is too tight, has too many things packed into it, and we need to arrange an area so that we do not find ourselves in this situation again. And that's something that I've already mentioned to a number of you that I want to be able to work on in the next two weeks and months.

The consequence on the overall planning is that we have discussed with the BFC and suggested that the public comment process is -- the end, sorry, of the public comment process, which will have started two weeks later is delayed by approximately three and a half weeks. So allowing three and a half weeks more -- let me rephrase, pushing the end by three and a half weeks, therefore allowing overall about a week and a half more into the -- or two weeks in the public comment timing. The public comment process is suggested to be finalized on July 1, therefore right after London and I'm expecting that we will exchange feedback on the draft ops plan and budget during London as well, of course.

After July 1, we will collect the comments, review them, suggest answers, review the types of comments and the answers suggested with the board finance committee, as well as potential changes to the draft ops plan and budget that would result from the comments. The BFC will review and will then suggest a recommendation to the board to approve the budget as is, or an amended budget and will also provide a view of the comments that have been collected

during the public comments to the board. And the board will then make its decision. I'm expecting this to happen approximately mid-August. Therefore, there would be approximately a six week timeframe to process the comments, process potential changes to the budget as a result of the comments, and communicate to the BFC and the board.

I will now go into the presentation and I will mention the slides as we go through them or the pages as we go through them. The first section is the highlights of FY '15. We will go over revenue, expenses, capital expenditure, risk and opportunities, not spending too much time at this stage. The second section is the operating plan, the detail of the operating plan based not the management system at task, the four objectives, by four goals by 50 portfolios approximately. We will go over the structure of the document at the beginning of that section. I will go over the three or four first pages to give you an understanding of the structure of the document and let you go through all the pages between basically 18 or 20 and 54 at a later time.

The next section is the new GTLD program. It's the full program view with a breakdown by year as relevant, not just the FY '15 portion of that information. So we'll go over that quickly as well and there are three appendices, the view, the breakdown of the operating plan at the portfolio level by the categories of cost. That's appendix one. Appendix two is a breakdown of the operating plan by the management system at the portfolio level with a number of projects being listed and described with the amounts budgeted for these projects in portfolios. And that's the appendix two and it needs to be read in conjunction with the section two of the Word document.

The appendix three is the SONAC additional budget request resulting from the application process, reviewed and approved by the board in April 30. Introduction, I'll let you guys read this on your own if you haven't already. Next. This is just an overview of the to be high level planning process that would start from the five year strategic plan. We will -- this is what we expect to be able to conduct as a process in starting FY '15.

Next. The highlights of the operating plan and budget starts here. I will insist on the -- I will ask you to focus on the second paragraph of this -- on the second paragraph and the bullet points that are below. This is basically saying the organization has grown a lot over the past two to three years. The FY '15 is about, on one hand, focusing on fully integrating the resources on boarded over the past two years, improving efficiencies, and basically leveraging the resources on boarded and optimizing those resources. At the same time, there are a number of areas that we want to ensure we focus on. The USD transition is a major project of its own that will require a lot of attention. The GTLD platform of service is, and its growth and maturity is required to accommodate the onboarding of new registries and the volume of activity that comes with it. And operating 22 registries versus operating 1,000 is completely different. And this is something that has of course started over the past year or year and a half, but needs to now fully scale.

Another area, which is connected with the two items that I mentioned above is the IT system infrastructure. The new scale of operations for GTLDs, as well as the operational excellence, continued improvement that we are working on is also requiring a more robust, and integrated, and efficient systems infrastructure. And this is going to be a focus during the year as well. And the contractual compliance activities need to continue to expand to also accommodate the scale of activity, the scale of number of contracted parties that the organization already has and will continue to see growing over the next few months and years.

So this is important in the sense that it provides a certain amount of direction on how the other resources are suggested to be allocated and this will be made a little bit more clear than in the presentation.

Next. Overview of revenues. Breakdown between existing TLDs and new GTLDs. This presentation again will probably go away in the future because the new GTLDs will not stay new forever, and I suspect we will value presenting our revenues in a different fashion in the future. You can see also at the bottom of this slide the new GTLD program revenue resulting from the recognition of the application fees collected as the program goes into revenue.

The next page provides basic assumptions for the revenue numbers. And I think it's relatively self-explanatory, but if there are questions on this, please record them in the chat room for -- so that we can come back on them later. This is a graph that is aiming at providing -- it's a waterfall, even though it's actually going up. It's providing explaining the highlight of the variances year-on-year between operating expenses of FY '14 estimated and the operating expenses in the draft budget for FY '15. You can see that we're starting from a number of \$93 million that's right above the left most red box to a number of \$118 million that's right above the right most green box on this chart. The red boxes indicated a decrease, the green boxes an increase and this path of boxes lead us from the \$93 million to the \$118 million.

As an example, within the \$93 million of FY '14, two elements that do not repeat in FY '15 existed. One, the exception items of FY '14, which included the strategy panels cost and the at large summit that will happen in London. Sorry, two exceptional costs. They're nonrecurring. We also had in FY '14, four ICANN meetings. We will have three only because we're back on the "normal schedule" in FY '15. Therefore, the extent of FY '14 excludes -- let me rephrase, the spend of FY '14 included one more meeting than in FY '15. That's a variant element as well. And the other boxes present variances between '14 and '15.

I will -- all those boxes and the variance that they represent are commencing on the next slide. I will just mention the box that's plus \$15 million to make sure everyone understand what this corresponds to. This is the effect of the new hires of FY '14, which by definition have been present during the year for a subset of the year, a portion, of a number of months within the year and will be present for a full year, presumably, in FY '15 and for the same number of positions, the cost in FY '14 is of course a subset of the cost in FY '15 for just a few months in FY '14 and 12 months in FY '15. And that represents an increase of cost and this is what the third box, the first green box from the left is indicating. Page 10 you have further comments on those various boxes that are presented in the page nine.

Thank you. I want to point out that the third bullet point from the top that speaks about this impact of the full year impact of the FY '14 hiring is reading currently increase in personnel costs due to 140 employees hired in FY '14. This should read 120 employees on boarded in FY '14 and we will correct that. This is the graph showing the headcount over three years, broken down between the new GTLD program headcount and the ICANN operations headcount. I think it's self-explanatory so I will pass this quickly.,

Statement of activity. In other words, the P&L. Those that are more used to that vocabulary, breaking down the operating expenses by nature. This is the format of our (inaudible) statements. There are comment notes on the right of the ICANN operations figures that refer to the lines below the slide explaining further variances by categories of costs. Again, this format, which is now usual because it's been two years we're using it, presents the ICANN operations on the left. Then in the middle, the new GTLD program and on the right, the total of the new

GTLD program or those resources, both revenue and expenses that are dedicated to the new GTLD evaluation program, which will end after the last registry is being delegated and applications have been fully processed.

And as a reminder, those financials are fully segregated. The funds operating the program are fully segregated in bank accounts and investment accounts as well, and in our segment reporting as you can see. Next. This is an overview of capital expenditures, which of course do not appear in the statement of activity, broken down by purpose and by type with a few comments on the right. The combination of the statement of activity providing revenues, operating expenses, and the capital expenditures that we just saw over the past two slides is brought together into this document, which is called a resource utilization. It's a document, which basically says we have resources corresponding to our revenues. How are we using those resources between -- to cover for our expenses, whether they're operating or capital?

I will focus -- so the four blue columns provide the breakdown in the total of the revenue at the top, the operating expenses broken down by functional areas of the organization. So those are aggregation of departments that you can see for the breakdown of the operating expenses. The -- below that, you can see the change in net assets, which is basically from an operations standpoint, which is basically revenues less expenses, operating expenses, sorry. The cash from change in net assets is basically deriving from the minus \$3.1 million in the change in net assets, and adding back to it the depreciation cost that is included in the operating cost, because it's a non-cash cost. And therefore, we derive a number of \$3.7 million appearing in the total column corresponding to the cash generated by the change in net assets.

So the \$3.1 million negative, when we add back the depreciation of \$6.8 million, gets us to \$3.7 million positive of cash generated from the change in net assets. It needs to cover then for the capital expenses that are \$8.4 million, leading to a negative contribution to the reserve fund of \$4.7 million, which also corresponds to the total of the column b, which has been divided by the -- as a placeholder of resources that we intend to use for the purpose of the USG transition project. \$4.7 million is, as I indicated, a placeholder. It's already three or four weeks old by now. We view this more as the envelope that is put aside for this purpose rather than a very detailed breakdown of cost at this stage, because the -- what the project will entail is, as you know, being defined at this stage, and therefore the content of the activities within this envelope will evolve.

The -- so let me go back quickly on the columns A, B, and C, and I'll go from C back to A. C are those areas of priority that we have mentioned earlier in the highlights. You can see they are IT and physical security. This is the IT infrastructure enhancement and development in that area that sees growth so that that infrastructure can be adequately defined and that the ramp up can start for the overall infrastructure. And this is also why the -- in the capital expenditures you see spend relative to applications development. GDD, global domain division is where the GTLD service platform development exists, along with the other services that the GDD supports and contractor compliance being there as well.

The column B, as I indicated, is the estimation of resources required to support the USG transition of the stewardship of the IANNA functions. This is a placeholder. I'll end up coming back to it. The column A corresponds to the -- all the base excluding those two other areas that I just mentioned, all the rest of the funds that are made available to the rest of the organization. And you can see that this is basically an FY '14 exit run rate estimate of cost. So basically, if we position ourselves at the end of FY '14 and with the resources planned to be on

boarded by then, this is the annual cost of those resources inclusive of a potential salary and promotion impact -- sorry, increase in promotion impact.

So the cost of the organization -- the annual cost of the organization at the end of FY '14 is basically \$100 million is the bottom line. I will stop there. I think is an important site. This is a new one to Roelof's point earlier. This is a new one that I would expect a lot of comments out of.

Next, risks and opportunities. The risk is defined -- it's a risk from a financial standpoint and an opportunity from a financial standpoint. And a risk is defined as indicated at the bottom of the slide as the possibility of higher revenue -- sorry, a risk is defined as a possibility of a lower revenue or a higher cost, and of course opportunities are the opposite. You will see that the risk and the opportunities sometimes contain the same subject, but with risk that the costs can be higher or risks, or an opportunity that the cost can be lower for the same item. It indicates the unpredictable aspect of certain of those costs overall, as well as the revenue and I'll let you read this. We're not trying to quantify those risks or opportunities at this stage, only give a sense of the likelihood and the potential -- yes, the likelihood of the risk and opportunity.

Section two starts there. This is a slide on the overview. It just indicates that the operating plan is structured as per our now well known at task management system model. Four objectives to categorize our activities, 16 goals, 50 portfolios for FY '15 and approximately 200 projects make up the overall management system. Next. This is the top-level view. The four objectives on the left with an indication on the right of the funds allocated to each of those activities broken down by the goals, the 16 goals, with the amounts in front of each of the goals. The next pages up to 54 provide a breakdown, a drill down of this. You can see at the top in the dark blue box, the first item is 1.1 deliver according to net functions.

The next page that starts the section provides an overview for that 1.1 deliver for internet functions of in the dark blue section on the left, the description of what the goal is trying to achieve. The key success factor for that goal, it could be several factors, key success factors. It depends on the goal. It indicates the total amount of funds dedicated to it. On the right, it provides the breakdown of each of the portfolio that make up that goal along with the amounts associated with each portfolio.

At the beginning of each section out of the 16 goals, each of these 16 sections will start with this slide. It will be followed then by a further breakdown and description of the portfolios so the list of portfolios that you saw on the previous slide is now further described on this content, on the next pages, inclusive for -- sorry, go back for just a second, on the last portfolio that you see there, 1.1.3, internationalized domain name portfolio. This portfolio we highlight on the next page because of the page break. The list of projects, a list of projects, highlighted projects out of that specific portfolio and provide descriptions of those projects.

This information is then associated with budget amounts in the appendix two that I referred to earlier. The rest of the pages until 54 provides the same information for all the other 15 goals. And I will not go over that.

Section three, new GTLD program. This is a view of the total of revenue and program costs for the entire set of years. It compares the most current estimate of the program for 2014 versus the previous version of that current estimate, June 2013. Last year basically for the same purpose of the budget process. We produce forecasts on the new GTLD program approximately every three months.

There are comments on the right as to the main variances. This is further explained down the road.

Next slide is a breakdown by year of the revenue and expenses to help compare the previous and current forecast. Further, next. So this is the most detailed level of information for the program this budget, providing a breakdown of the types of costs by year for the current estimate. Next is just that comment -- sorry, yes, Roleof.

Roelof Meijer: Okay. Did I understand you correctly that that first slide on GTLD costs was the overall costs for all the years so far since launch or no, since the start of the project?

Xavier: It is since the beginning and until the end.

Roelof Meijer: Okay. Thank you.

Xavier: So basically when you look then at the page 65, thank you, you find the same amounts on the total, call it, on the very right of this page 65 that we are on the previous, on the first two pages.

Roelof Meijer: Yes. Okay. Thanks.

Xavier: And next pages, 66 and 67, are variance comments between the previous and the current forecast. And when I use the word forecast for the program because it's a forecast at completion in three years from now, the program. The only comment I would make on substance relative to the program is that if you go back to page 65, thank you, if you compare this document, this page with the same page last year, it had three columns left. We have expanded the forecast of the program until end of FY '15. So FY '16 and FY '17 have been added because we expect the program to continue into those years. There may be by the end of FY '17 costs that may need to be incurred lightly in this case. Those are the \$5 million that you see beyond in FY '15 -- '17, sorry, are the EBERO (ph) costs. But that's the main change for the program's forecast is the addition of two years.

And that concludes it. Sorry, I went over a bit by three minutes. The appendices that I mentioned before appear here. Appendix one, breakdown of the costs by categories of personnel travel, professional services, admin and the appendix two, the breakdown of the operating plan by portfolio with a selection of projects highlighted in amounts budgeted for each of those projects. And that's it.

Questions?

Roelof Meijer: Okay. Thank you very much, Xavier. Yes, questions first. Well, like I said during the finance community call, Xavier, the document is a lot clearer than the previous ones and I think its clarity is reflected by the absence of any questions at the moment, I think. I don't know whether to tell you if it's a good thing or a bad thing. Well, I think it's a good thing. Like I said, I was impressed by the quality of the document. I am sure that we will in our comments, we will submit, there will be questions once we have had the opportunity to spend a bit more time on the document. But as far as I'm concerned, your presentation was quite clear.

Xavier: Thank you. And definitely that's the objective for me is that we can focus the discussions on content rather than on the limitations of the format.

Roelof Meijer: Yes, exactly. Okay. If anybody is asking a question and is getting no response than probably your phone is on mute. But in the meantime, we will -- well, once

again, thank you very much, Xavier. We will now spend some time in recapping how we are doing with our comments on the strategic plan. So you can stay on the line if you want, but you can leave (inaudible).

Xavier: I think we're going to leave you to it. I thank you for the opportunity to speak and will be in touch over the next weeks and in London, of course. If there are questions that are preventing the adequate review or that hold you back from being able to understand correctly the document, or imprecisions, or anything, please feel free to send immediately the question to us through the controller at ICANN.org address so that we can try to ensure that we answer, if we can, this question and clarify this imprecision so that it doesn't impair your review. Thank you very much. Have a good rest of the day.

Roelof Meijer: Thank you for spending your time with us.

Xavier: Thank you. Bye-bye.

Roelof Meijer: All right.

Unidentified Participant: Kristina?

Unidentified Participant: Sorry, Roelof.

Roelof Meijer: I was -- okay, let's just see how far we are with our work on the strategic plan. I thought Rosalia was on the call.

Unidentified Participant: Yes, she was but I think she dropped off.

Roelof Meijer: Ah, okay. Well, Hong Xue is on the call too and she's also coordinator.

Unidentified Participant: Yes.

Roelof Meijer: For team, we don't have Peter, Debbie, or (inaudible). We don't have Mathieu, Gregory, or Byron. So they will not be able to -- have you had any input so far, Bart?

Bart Boswinkel: No, I haven't.

Roelof Meijer: All right. So I think the only thing that is represented by anybody is team number three working on operational excellence and it's my team. And I received today documents from both Rosalia and Oscar, and I promised them to give my input back to them tomorrow. So I think from that working group, we will have the input before the deadline of the 19th. I don't know if there is anybody on the call that can speak for another team and can tell us how the progress is.

Unidentified Participant: Maybe Hong. She's one of the coordinators as well, I believe. Yes.

Hong Xue: Hello. Can you hear me?

Unidentified Participant: Hi, Hong.

Hong Xue: Yes. My first question is, it is not clear what is the subject of the team one (inaudible) number, but there's no (inaudible). Should I work on the affirmation of (inaudible)?

Bart Boswinkel: I think -- so Hong, are we talking about the strategic planning process?

Roelof Meijer: It's in Bart's email. It (inaudible). Your team is on internationalization.

Hong Xue: Oh, well sorry. Makes (inaudible). I'm talking about operational plan. All right. Sorry about that. I think it's useful if Bart could resend the email and identify the topic of each sub team so we know what we'll be working on.

Bart Boswinkel: Yes, I'll resend it again say either after -- directly after this call and including the slides with the dates because they probably are clearer and the topics of the calls. Because the final date for the submission on the strategic plan is closing rapidly, is nearer. We're getting closer to the final date rapidly.

Hong Xue: Okay. Thank you.

Roelof Meijer: But Hong, if your team still has to start then the time until the deadline is going to be very short for you.

Hong Xue: Oh, well yes indeed. Right. I talk with my colleagues immediately.

Roelof Meijer: Well, one of your colleagues is on the line, Leonid. So that's a good time --

Leonid Todorov: (Inaudible). I'm here.

Roelof Meijer: Oh, okay.

Leonid Todorov: Can you hear me?

Roelof Meijer: Yes.

Hong Xue: Do you have any quick input?

Leonid Todorov: No, not at the moment. As I suggested in my email to you, we should discuss this issue, I mean by email first and then we should come up with some conclusions on the issue. Would you mind some exchange of emails let's say starting from tomorrow and for a couple of days ahead?

Hong Xue: Well, that's fine. Tomorrow, I'll be flying.

Leonid Todorov: No, it's fine. I mean it's up to you. I will just -- I will wrap thing up for myself and then I will tell you my insights and then we will share some of observations, whatever. We can, I guess we can do it fairly quickly, won't we?

Roelof Meijer: Spend some time on this so that Bart and I can consolidate next week and then submit our comments before the 31st.

Bart Boswinkel: So what I'll do is I will split because if you go back to the original email, it's a very lengthy one and the focus on both processes. In order to make everybody's life easier, I will split them into two emails and make very clear. So it's focused on the operational plan. And so that's one and the second is on the strategic plan.

Roelof Meijer: And then send in the other order so that we can work on the strategic plan first and maybe (inaudible) one on the operational next week or something.

Bart Boswinkel: Yes, I will.

Roelof Meijer: So there's not any confusion there. Okay. So is that -- who do we have from other working groups because I can only see the people in the Adobe room? Anybody else who can speak on behalf of a working group? Which also might be -- we haven't done anything yet, but then at least we know that. Okay. So everybody is on the call. We have this deadline of the 19th of May, by which Bart and I want to have the first input from the working group. So those that are on -- those people that are on the line, please start working on that the coming days.

And Bart, I think you and I should reach out to the coordinators. Well, as you were sending the mail that could be the same email so that everybody knows the planning again and where the deadlines are.

Bart Boswinkel: Yes, that's what I'll do and if you can send an email to the individual coordinators that would be I think that's more appropriate. But I will send out to the -- firstly, the planning for the strategic plan.

Roelof Meijer: Yes, I'll do that. All right. Well, there's not much use continue to talk about that. Any other business? I can hear myself back somewhere.

Unidentified Participant: Nothing special.

Roelof Meijer: Okay. Well, then everybody, thank you for being on the call. Well, I think if we look at the plan and I think when that will be your conclusion once you have gone through it personally. Quite an improvement from the plans we've seen so far. I think confidence wise, there is still enough to submit comments upon and to ask questions about. But I think it's a much better structure than anything that we have had before, which by the way in my opinion is also (inaudible) to the strategic plan. So it seems that some of our comments finally have been taken into consideration and we're beginning to create some positive effect there. With that in mind, let's get to work on both those plans. Thank you for being on the call. Thank you, Bart, Kristina for organizing this and talk to you all soon.

Bye-bye.