Internet Society

2010 – 2012 Business Plan

Board of Trustees
2010 - 2012 Business Plan

Table of Contents

I.	**Executive Summary**	**4**
	Plan Overview	4
	2010 Strategic Investment Areas	5
	Financial Overview	6
II.	**Three-Year Plan (2010-2012)**	**9**
	Executive Summary	9
	Trust and Identity – Champion: Lucy Lynch	10
	Enabling Access – Champion: Jon McNerney	13
	InterNetWorks – Champion: Leslie Daigle	17
III.	**2010 Strategic Objectives**	**21**
	1. Global Outreach – Champion: Scott Hoyt	22
	2. Advancing the Health of the Internet – Champion: Leslie Daigle	24
	3. Next Generation Leaders – Champion: Bill Graham	25
	4. Additional Revenue Sources – Champion: Jon McNerney	26
	5. Chapter & Member Structure – Champion: Jon McNerney	28
	6. Network Confidence – Champion: Lucy Lynch	31
IV.	**2010 Revenue Model**	**33**
	Organization Members (Sponsorships and Dues)	33
	Sponsorships, Grant, and Symposiums	35
	Individual Members (Dues and Donations)	36
	IETF Sponsorships and Support Initiatives	37
	Summary – Revenue Model	37
V.	**2010 Budget and 2011-2012 Forecast**	**40**
	Overview	40
	ISOC Revenues	40
	Departmental and Program Expenses	42
	Standards Development Organization (SDO) Support	45
	General Administrative Expenses	45
	Capital Expenditures	46
	Personnel	47
	IASA/IETF	47
	Cash Reserves Review	48
	Public Support Test Review	48
	2011 – 2012 Forecast	49
VI.	**Appendices**	**51**
	Global Engagement and Local Roots	52
	Strategic Initiatives Chart	57
	Scenario Planning Overview	61
	Chapter Profile	76
	2010 – 2012 Full Statement of Operations (with 2009 Forecast)	80
	Organization Chart	82

2010 – 2012 Business Plan

I. Executive Summary

I. Executive Summary

The Internet Society's Vision, *The Internet is for everyone,* lies at the core of our organization. It is our end goal. Together, our Vision and Mission form the foundation on which our organization operates.

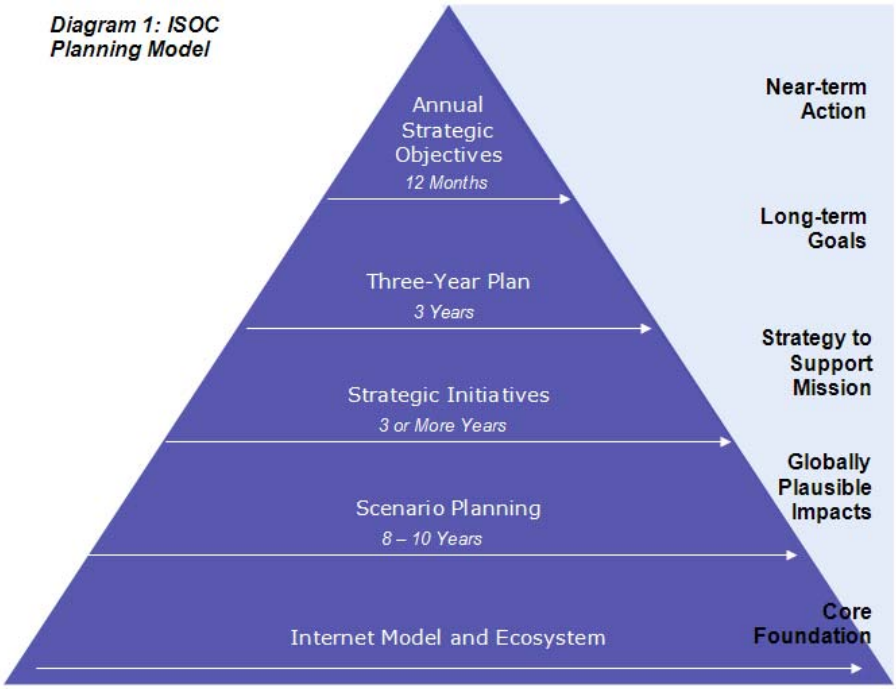
ISOC is dedicated to ensuring the open development, evolution and use of the Internet for the benefit of people throughout the world. In pursuit of this mission, ISOC:

- Facilitates open development of standards, protocols, administration, and the technical infrastructure of the Internet
- Supports education in developing countries specifically, and wherever the need exists
- Promotes professional development and builds communities to foster participation and leadership in areas important to the evolution of the Internet
- Provides reliable information about the Internet
- Provides forums for discussion of issues that affect Internet evolution, development and use in technical, commercial, societal, and other contexts
- Fosters an environment for international cooperation, community, and a culture that enables self-governance to work
- Serves as a focal point for cooperative efforts to promote the Internet as a positive tool to benefit all people throughout the world
- Provides management and coordination for on-strategy initiatives and outreach efforts in humanitarian, educational, societal, and other contexts

Plan Overview

The Internet Society's Business Plan includes both near-term (12 months) and longer-term (3-10 year) focus areas that guide our organizational decisions and actions, and which lay the foundation for our progress in the coming years. Those focus areas include **Annual Strategic Objectives** for each of ISOC's' departments; longer term, **Strategic Initiatives**, which are the highest level of directed strategic activity undertaken by ISOC; a **Three Year Plan** that outlines in more detail the organization's long-term strategies and defines programs and goals for each Strategic Initiative; and 8-10 year **Scenario Planning** that serves as a guiding light for our long-term vision and will be used in the near term as tools for analysis about possible scenarios, the likely triggers, and required actions by ISOC.

These Strategic Initiatives, Annual Strategic Objectives, and their supporting programs will be outlined more substantially later in this document.



2010 Strategic Investment Areas

In addition to the Strategic Initiatives and Objectives mentioned above, a number of high level shifts in emphasis will be reflected in the Business Plan and proposed 2010 Budget.

First, you will see an even greater emphasis on outreach and advocacy. This emphasis manifests itself in an expansion of the activities of our Communications group, more advocacy on our Strategic Initiatives and our 2010 Strategic Objectives, greater involvement with and of our Chapters and Members and further enabled through the extension of some key functionality in the AMS system.

Second, the budget will show a significantly increased focus on fundraising through growth in various business development areas as well as an increase in our focus on programs that attract sponsorship funding from other sources, dominated by projects in developing areas of the world through our Enabling Access Initiative and related Technical Capacity Building programs.

Thirdly, ISOC has a long tradition of supporting and promoting Internet open standards activities, recognizing that open standards and interoperable deployments are key to the Internets growth and evolution. Leveraging that history, as well as momentum from recent years' increased technology engagement, ISOC is coordinating its technical outreach activities with others active in the open standards process, and introducing new activities. The impact of these additional activities will be greater awareness of the Internet's open technology development platform, which is intended to have derivative benefits in terms of ensuring more vibrant participation in open standards processes as it broadens the pool of technical participants, support for participation, and consumption of deployable open standards. It will

also provide a concrete, constructive alternative to top-down, imposed standards and operational practices favoured by non-Internet network development environments.

Finally, you will see an acceleration of the shift from a functional organization to one formed to take advantage of our local and regional connections – **Global Engagement and Local Roots**. Among other objectives, this shift starts to realign personnel to support local activities through the Regional Bureaus formed in 2007/2008. This move will impact the foci of Bureau, Chapter, Public Policy, and Development/Education staff. It will also mean an increase in the commitment of budget resources to the Bureaus and Chapters (for Bureaus, chapter funding, travel fellowships, and award programs).

These areas are expanded upon later in the document.

Financial Overview

The proposed budget for 2010 incorporates a much smaller growth in staffing and core activities compared to the 2009 budget. ISOC seeks to build upon its efforts with respect to its Initiatives and its 2009 Strategic Objectives, while focusing any growth in spending on specific targeted priorities.

At the same time, ISOC has budgeted for a substantial increase in support for the IETF and other Standards Development activities. The IAOC has presented a 2010 budget reflecting a $1.56 million request for support of their ongoing activities plus a $575,000 capital budget for tools development. In addition, ISOC's proposed budget assumes additional activities with other SDO's in 2010.

ISOC management has prepared an ISOC budget that recognizes an anticipated slowing in the rate of our revenue growth. ISOC continues to focus its efforts on diversification in our revenue streams and on reducing the reliance on the growth in PIR's contributions.

ISOC's policy calls for maintaining a cash reserve equal to six months' operating costs, plus the cost of meeting guarantees for two additional IETF meetings. During 2009, this goal was met. We intend to meet this goal for 2010 and will review our cash reserve policies in the first half of 2010 as this measure has not been updated recently.

As a *public charity* under Internal Revenue Code 501(c)(3), ISOC is measured against a test to ensure broad public support and a charitable contribution to a broad spectrum (the "Public Support Test"). As anticipated, ISOC fell below the 33.33% test with the filing of ISOC's 2007 tax return. ISOC's 2008 tax return (filed recently) reflects a Public Support factor of 17.6%. Consequently ISOC has filed a "facts and circumstances" plan with the Internal Revenue Service. ISOC management continuously monitors funding trends as they impact the Public Support Test and reports in more detail to the ISOC Board twice a year.

The 2011 – 2012 Forecast provides a strategic view of ISOC's financial condition over the full three-year time horizon of the Business Plan. Most notably, the extended forecast anticipates contributions to ISOC from PIR will level off after 2011.

To fund any growth in ISOC's programs and outreach, an aggressive growth in revenues from other sources is being pursued.

In summary, 2010 is yet another ambitious year for ISOC, and we are confident that we have the right strategies and the right people. The next step in our organization transformation (Global Engagement and Local Roots) will help position us to achieve our 2010 priorities while setting the stage for even more accomplishments in the years to come.

2010 – 2012 Business Plan

II. Three-Year Plan (2010-2012)

II. Three-Year Plan (2010-2012)

Executive Summary

In 2008, ISOC adopted three long-term "Strategic Initiatives" that represent the highest level of strategic activity undertaken by ISOC: Trust and Identity, InterNetWorks and Enabling Access. Once again, these Initiatives are the cornerstone of the 2010-2012 Business Plan, driving what we do over the course of the next three years and beyond.

> Through our Trust and Identity Initiative, ISOC seeks to ensure that the Internet provides channels for secure, reliable, private, communication between entities, which can be clearly authenticated in a mutually understood manner.
>
> Our InterNetWorks Initiative focuses on the continued operation of the global Internet, identifying broad issues and opportunities in Internet global deployment, and the collaborative model of Internet evolution.
>
> The goal of ISOC's Enabling Access Initiative is to deliver on the promise of the Internet by catalyzing Internet development and growth in emerging markets and positioning ISOC as a leader and partner for projects that support the sound growth of the Internet. The priorities defined for each Strategic Initiative will serve as the basis for our chapter, member, and partner activities and will guide a more robust external outreach communications effort on behalf of the entire organization.

For each of the three Strategic Initiatives, ISOC has identified Key Activities and Programs, Supporting Dependencies and Expected Impacts/Goals that will direct ISOC's actions over the next 12-36 months. These components are summarized in the next section and summary charts are provided in Appendix BI.

Trust and Identity – Champion: Lucy Lynch

In order to be trusted, the Internet must provide channels for secure, reliable, private, communication between entities, which can be clearly authenticated in a mutually understood manner. The mechanisms that provide this level of assurance must support both the end-to-end nature of Internet architecture and reasonable means for entities to manage and protect their own identity details. Trust must become a primary design element at every layer of the architecture and, in some cases, existing elements may need to be re-designed or enhanced to meet emerging requirements.

The mid range goals for this initiative focus on building strong relationships with both external and internal partners to magnify our efforts to educate users about identity management, spawn development of trust and identity technologies globally, and encourage open, transparent, interoperable standards. In conjunction with our partners, we are working to determine those areas where we can make substantial impact, and we are developing shared projects to advance appropriate technologies and operational solutions for Trust & Identity.

The Major Long-Term Goals of the Trust & Identity Initiative are to Ensure That:

End users understand the options for identity management and demand appropriate tools and services to support the full range of use cases;

Developers think in terms of trust, interaction, and sustaining global reach (end-to-end) when designing the next generation of reliance technologies and standards;

Public policy discussions recognize Internet Model stakeholders as experts on Trust and Identity, with ISOC leading the discussion on reliance issues including: regulation, compliance, data portability, ownership, and privacy. There is a clear distinction between a trusted network and network security.

User education regarding identity management is considered essential to achieving trust in the Internet.

ISOC continues to support the open, transparent, bottom up nature of Internet development and is an active partner in the standards process as the Internet Model expands.

Results from 2009

Within the Trust and Identity Initiative, major activities in 2009 were focused on the Identity programmatic area (**Identity: Managing Trust Relationships**) in an effort to develop and lead partnering opportunities to expand ISOC's "reach". These efforts were extremely successful and ISOC has taken leadership in the newly formed Kantara Initiative (formerly Liberty Alliance) and has partnered with Internet2, Terena, Identity Commons, the OECD ITAC and others to advance both technical and policy solutions in the User Managed Identity arena.

Work on the emerging research program elements envisioned in the Trust & Identity Initiative was also initiated and several topics of immediate interest were identified. The addition of a dedicated staff resource (Karen O'Donoghue) in July of 2009 will enable ISOC to move forward with our work on **Architecture and Trust.** This effort will focus on the implementation of open-trust mechanisms throughout the full cycle of Internet research, standardization, development, and deployment. Key topics will include: trust anchor deployment models, deployment

management of multiple PKI based protocols (as a suite), and certificate management across multiple organizations.

On-going activities in the Identity area and major deliverables in the **Architecture and Trust** area are planned for 2010. These projects and related work in the Standards and Technology department will inform work on the final segment of this initiative, which is **Operationalizing Trust**: Strengthening the Current Internet Model.

Trust and Identity Objectives for 2010

High level objectives for the Initiatives are closely tied to the 2010 strategic objectives and two areas of particular interest are: shifting the focus of public discussion from cyber-security to trust in key forums and ensuring that trust and identity technologies are global in scope despite regional differences in public perception, policy, and regulation. The Trust and Identity work in 2010 will actively advance ISOC positions on **Network Confidence** and assert the continued importance of the Internet Model and all of the stakeholders in the Internet Ecosystem in **Advancing the Health of the Internet**. In addition to staff participation in global forums we will continue to sponsor events that bring together important communities of practice and we will fund key technical projects that further interoperability efforts.

Identity Related Projects

There are three major objectives for this program in 2010. First, we will continue to work with our technical and policy partners to advance User Managed Identity solutions. This work will include a major technical effort promoting the development of shared solutions for Inter-federation which will be coordinated with InCommon and the Terena/ReFeds participants. Our second objective focuses on educating users about their rights and responsibilities in relation to identity management and will include the publication of a series of use cased based study guides on Identity management topics and well as the release of several educational browser plug-ins that will allow users to understand how they manage online interactions.

This effort will also develop chapter facing materials that can be used in either planning special events or for online outreach. The third major objective, a related effort, would support on-going engagement with Chapters and members on identity related issues and would support internal efforts to “eat our own dog food”. We propose to set ISOC up as a (beta) Identity Provider for our membership and will work closely with ISOC technical staff and external developers (CoManage) to deploy a federated identity solution as part of our membership engagement program. This project may be deferred until 2011 depending on the availability of software and funding.

Architecture and Trust Related Projects

This program represents the second stage of the long-term program plan for our initiatives, and projects planned in 2010 will provide the basis for our on-going work. The high level goal here is re-invigorating interest in trust and security issues throughout the network architecture through the incorporation of new research and lessons learned at the “Identity layer”. There are three major program goals:

The development of a "Taxonomy of Trust" which inventories current trust-enabling work (PKI, encryption, hardware solutions, etc.). This work may focus on potential deployment scenarios and the effects of combining multiple solutions (i.e. DNSSEC, DKIM, RPKI, S-BGP, etc.). The work will include a survey of work in progress in relevant standards bodies

as well as enterprise solutions and emerging research. The Taxonomy work will be integrated with the broader InterNetWorks framework.

Direct engagement with the IETF. Key work items will include a technical report (in the form of an Internet Draft) on perceived problems and proposed solutions related to enabling trust/reliance within the Internet as well as support for participation of researchers and practitioners in relevant IETF working groups.

Broaden our engagement with Internet Ecosystem stakeholders as well as our chapters and members. The Taxonomy of Trust will provide a platform for activities such as panels, roundtables, and white papers addressing the likely next steps in the development of trustworthy networks.

References:

Kantara Initiative: http://www.kantarainitiative.org/
TERENA/REFEDs: http://www.terena.org/activities/refeds/
InCommon: http://www.incommonfederation.org/
CoManage: https://co.internet2.edu/

Enabling Access – Champion: Jon McNerney

Strategic Outlook

Developing countries are key to the future of the Internet. With access in developed countries near 80%, the next frontier for Internet growth lies substantially in emerging markets. Because the Internet is a "network of networks," those that connect to it have the ability to shape, influence, and define it. How these regions approach, adopt, and use the Internet will have a significant impact on the Internet's future. In participation with our Chapters, members and key partners, ISOC intends to significantly drive forward our development efforts.

Furthermore, one of ISOC's central missions is to ensure that the "Internet is for Everyone." No more illustrative is disparity between our vision and reality than the connectivity gap that remains in developing countries. Visibly delivering on the promise of the Internet in emerging markets not only advances a key component of ISOC's vision, it also positions ISOC as an organization of global responsiveness and human consequence.

ISOC's Enabling Access initiative is aimed at advancing three strategic impacts:

Accomplishing practical Internet growth in emerging markets through training and infrastructure development projects at the regional and local level with key stakeholders such as our partners, Chapters, and members, demonstrably advancing ISOC's vision of a globally ubiquitous Internet,

Embedding fundamental Internet values, concepts, and approaches in emerging Internet markets as they grow in importance as contributors to the global network, and

Positioning ISOC as a "go to" organization on Internet development and fostering related relationships in emerging markets, which can facilitate discussions and interventions with stakeholders on a range of Internet issues across ISOC's interest areas.

Over the course of the 2010 – 2012 budget cycle, our goal will be to implement ISOC's "Internet Development Profile" by building out the international, regional, and local relationships and partnerships needed to raise our visibility and effectively conduct localized engagements in Africa, Latin America and the Caribbean, Europe, North America and Asia. In addition, we will advance our impact and profile with ICT development organizations and forums.

In addition to technical capacity building activities, during 2009, we significantly advance this strategic focus by engaging in development discussions with the OECD, World Bank, and the ITU. This work met with an exceptionally positive response to both our substantive contributions and overall development focus, confirming the value of this trajectory. The goal at the end of 3-year cycle, is to have firmly established ISOC as the "go to" organization on Internet development, have measurably advanced Internet capabilities in the 3 regional areas, and have developed the relationships, Chapter and Member capabilities, and internal capacity to scale the work going forward.

Enabling Access Refinements

The description of the Enabling Access Initiative for the previous budget cycle focused on "removing barriers and impediments" to Internet growth. In order to maximize the impact of the Enabling Access Initiative itself, as well as better cross-leverage organizational goals, we are refining the articulation of the Enabling Access Initiative in 2010. The refined EA articulation focuses more positively on opportunities and benefits of the Internet, and revises the "Underserved Communities" (which is already imbedded in the Enabling Access concept overall) into a component addressed at catalyzing the technical communities of practice and multi-stakeholder partnerships in emerging markets that are needed as a foundation for advancing the Internet Model.

The refined articulation is as follows: The Internet is a fundamental engine for economic growth and social development around the world. In nearly every place it reaches, it helps transform lives by serving as a foundational tool for improving communication, education, business, health, governance, and more. Yet in many developing countries, the Internet remains an underdeveloped resource due to low connectivity, reliability, and affordability.

At the same time, as the next frontier for Internet growth lies substantially in emerging markets, how these regions approach, adopt, and use the Internet will also have a significant impact on its future. In order for emerging markets to benefit from the full potential of the Internet, it is important that its growth be guided by the fundamental principles and approaches that have made it a flexible and adaptable engine for local and global innovation. These include openness, collaboration, and shared responsibility, among others.

The goal of ISOC's Enabling Access Initiative is to deliver on the promise of the Internet by catalyzing Internet development in emerging markets. Working with local technologists, government, industry, our network of Chapters and Members, and other stakeholders, the Enabling Access Initiative focuses on the following areas to foster a robust environment for access:

1. Technical Capacity Building

For the Internet to grow and be sustainable, local technologists and network operators need the skills and technical capacity necessary to build, maintain, and protect networks, as well as make informed choices about new technology implementations. In many parts of the world, opportunities for formal technical education are limited and the necessary skills are in short supply. ISOC's goal is to advance the development of internetworking skills in emerging markets by transferring the world-class technical knowledge necessary to grow strong Internet infrastructures, reduce costs, and enhance Internet performance.

2. Promoting Access-Enabling Policy and Regulatory Environments

Government policies and regulations can support Internet growth by creating the enabling environment necessary for it to flourish. ISOC's goal is to foster Internet-friendly policy and regulatory environments in emerging markets by providing policymakers and regulators with knowledge, assistance, and guidance on key Internet access accelerators. Such issues include, for example, promoting robust local, regional, and international interconnection, developing transparent, competitive, and predictable national regimes to accelerate network investment,

and advancing coherent government-wide policies that include considering the entire Access Ecosystem, such as promoting the drivers of Internet demand.

3. Developing Communities of Practice and Multistakeholder Participation

The Internet is a unique and collaborative "network of networks." Across the world, the Internet's success has been driven by open and inclusive participation among contributors and stakeholders committed to its advancement. On a technical level, cooperative communities of practice, where network operators and engineers can exchange views, experience, and knowledge on Internet operations and management, have been the cornerstone of robust, resilient, and sustainable Internet growth. On a policy and regulatory level, open, multistakeholder consultations between government, industry, civil society, and others, have been critical in generating the information and partnerships needed to craft sound approaches to Internet development that take into account to local needs and conditions. ISOC's goal is to promote a sustainable Internet in emerging markets, by ensuring that fundamental Internet collaboration processes – in both technical and policy spheres – are developed, active, and robust.

2010 Enabling Access Focal Points

Our overall 2010 objective is to advance ISOC's position as trusted, visible resource and catalyst for Internet development, by advancing the organisation as a recognized leader and partner in implementing projects and solutions that support the sound growth of the Internet in emerging economies.

Our focus under the three programmatic areas of the Enabling Access Initiative is as follows:

1. Technical Capacity Building

Our technical capacity building activities will focus on broadening and deepening our African, Latin American and Caribbean, and Asian engagements by further driving basic and advanced training programmes to sub-regional and local levels, developing locally-tailored programmes and support materials, training local trainers to facilitate scaling, advancing implementations of Internet exchange points and related routing skills, and engaging new partners and channels, such as universities, to extend local relevance and impact. In addition, we will work to advance knowledge on critical issues such as IPv6 through focused cross-leveraging with the InterNetWorks Initiative.

2. Promoting Access-Enabling Policy and Regulatory Environments

Over the past 2 years, ISOC has successfully advanced its presence on access policy and regulatory issues at the international and regional levels. In 2010, our goal is to take this work deeper into local and sub-regional levels by creating a "top 3 list" of concrete policy and regulatory issues that require attention in order to promote broad-based Internet growth in localised geographies. Locally-relevant supporting materials, such as additional briefing papers, white papers and other tools will be developed to educate and advocate change on targeted issues. Addressing fundamental international, regional, and local interconnection challenges will feature prominently on the Initiative's access policy agenda, in particular. In addition to enhancing the use of our Chapters, Members, and Internet sister organisations in the efforts, we

will work to Identify additional local partner organisations with which to advance targeted government education and advocacy. These activities will be coordinated with our international engagement activities to support a coherent ISOC Internet presence.

3. Developing Communities of Practice and Multistakeholder Participation

Working with our members, chapters, and partners our activities will be aimed at providing local actors the knowledge, professional connections, and tools to propel sound Internet growth and management locally, as well as to contribute globally to the future of the Internet. These activities will include, for example, fostering the development of regional and local network operators groups and promoting the benefits of open and transparent multistakeholder input in policy and regulatory decision-making. In Africa in particular, we aim to establish a regional interconnection forum, supported by an annual symposium, where solutions to the region's interconnection challenges can be discussed and advanced in an open and collaborative environment. We also work with regional partners in Latin America and the Caribbean, including LacNIC, to advance LacNOG as an annual forum, and increase collaboration on regional interconnection issues.

In addition to the three programmatic areas, 2010 will see a significant emphasis on advancing ISOC's development profile in international organisations. In particular, the ITU's World Telecommunications Development Conference (WTDC), a quadrennial event, will take place in May 2010, and will be a focal event for advancing ISOC access and development presence.

InterNetWorks – Champion: Leslie Daigle

This initiative focuses on the continued operation of the global Internet, identifying broad issues and opportunities in Internet global deployment, and the collaborative model of Internet evolution.

ISOC's purpose in this initiative is to be an effective and visible part of identifying and helping elaborate cross-boundary and inter-institutional issues; providing leadership and promoting advances through open dialog and collaboration of involved entities, in appropriate fora; and promoting and validating the open collaborative Internet development model. Partners and audiences range from the technical development and operational communities to the public policy and business decision-making activities.

The long-term focus of the InterNetWorks initiative is to ensure the continued collaborative support for and development of the Internet in the face of significant challenges. These challenges stem from growth issues (e.g., impending runout of IPv4 addresses), desires to curtail the Internet for local benefit (e.g., "walled gardens"), and efforts to centralize and control management of this distributed resource.

Through 2009, ISOC has been developing relationships with technical community operating networks and Internet services, developing shared understanding of issues in IPv6 deployment and routing information security. Also, ISOC has been broadening its regional engagement on InterNetWorks topical issues, developing valuable, credible documentation on topical issues, for global and regional presentation.

Over the course of the 2010-2012 Business Plan, ISOC will continue to develop its role in leading edge technical and operational community discussions, as well as building out relationships in the business community to develop a broader scope in effecting change in Internet use and business. Activities will focus on ensuring recognition of the Internet Ecosystem of organizations that collaboratively manage the common pool of Internet resources and open development. ISOC will lead the development of appropriate policy models for developing regulation for the post-telecom network. Working regionally as well as globally, the InterNetWorks initiative aims to ensure that the Internet continues to flourish through collaborative technical development and operation, viable business support, and appropriate policy frameworks.

The InterNetWorks initiative is organized into 4 programs, which are focused as follows for 2010.

Common & Open Internet

The Common and Open Internet Program works to ensure the continued integrity and availability of the global Internet. Efforts within this program are focused on identifying limiters to the common and open Internet model and supporting work to move beyond those limitations. A "limiter" is anything that impedes the natural evolution of Internet operation under the model of a common and open Internet – whether it is a technology or policy that is reaching the end of its usefulness, or new uses or challenges for the Internet as a whole.

This is an on-going program specifically focused on promoting recognition of the continued validity of an end-to-end principle in the Internet and implementation of end-to-end supporting services.

During 2010, ISOC will ensure there is clear and accurate technical information describing the state of bandwidth use and management, while leading policy decision makers to a better global understanding of the use and management of bandwidth, in local and global networking. Leveraging that, this program will also establish frameworks for developing policy that will ensure a continued common and open Internet.

Global Addressing

The "Global Addressing" program identifies and works to resolve challenges to global Internet addressing. This is a particular case of a challenge to the Common Internet that requires focused effort as the world moves on from a globally accessible, all-IPv4 network.

ISOC's neutral position and relationships across organizations makes it a natural leader to coordinate important efforts of standards, operational and RIR communities to address issues in IPv6 deployment, and navigate the changing IPv4 Internet world as addresses become scarce.

In 2010, ISOC will drive development of shared understanding of IPv4-scarcity and IPv6 deployment issues in the operational and business communities, fostering input to the IETF for any appropriate work on specifications. ISOC will ensure that appropriate and accurate information is available for and communicated to businesses to make informed choices about whether and how to move to IPv6, and support the evolution from the IPv4 Internet. ISOC will ensure that global discussions related to management of IPv4 scarcity and appropriate management of IPv6 addresses, are supported by accurate, factual and insightful information, to defuse reactionary moves in the operational, policy, and inter-governmental discussion forums.

Security & Stability

The Security and Stability Program is intended to support development and deployment of key technologies for ensuring a stable and secure Internet. This is an ongoing program, and has focused on developing information, education and policy building blocks for a broader messaging effort to draw attention away from top-down cyber security controls and press towards more flexible, responsive technologies for fighting unwanted traffic.

In 2010, ISOC will continue to support appropriate security and stability issues through its messaging. However, leadership activities in core programmatic activities have been deprecated unless or until additional resources are available. This includes evaluating and ensuring that key Internet infrastructure security advances (such as DNSSEC, RPKI) are deployed in tune with operator requirements, that the collected deployment efforts are building a more secure and stable Internet environment, and that operators, users and businesses have information resources to make informed choices. These will be revisited if resources become available and it is apparent that ISOC can be successful in engaging in and promoting movement on key technology issues challenging the stability and security of the Internet's infrastructure.

AlterNetives

Work in the AlterNetives program identifies impacts of alternative networks (e.g., mobile data networks, sensor networks) on the Internet, expressed in terms of requirements for Internet development.

In 2010, as the heat from some of the more speculative notions of future networks has calmed, ISOC will focus on cataloguing typical requirements and experiences of non-traditional networks being migrated to or integrated with IP networks (e.g., so-called “smart grid” electrical utility networks). Furthermore, ISOC will lead the development of longer-term views of the future of the Internet, in the face of near- and long-term convergence of other data and control networks.

2010 – 2012 Business Plan

III. 2010 Annual Strategic Objectives

III. 2010 Strategic Objectives

In 2009, we recognized that ISOC needed near-term "Strategic Objectives", established annually, to complement and drive the enduring goals of the Strategic Initiatives. As we did in 2009, ISOC has identified a concrete set of Strategic Objectives with supporting measurable goals that will focus staff efforts for the coming year. Several of these objectives carry over from last year with updated deliverables. To build on our existing efforts while moving ISOC forward in meeting its strategic priorities, ISOC is adding two new objectives: Global Outreach and Network Confidence.

ISOC's 2010 Annual Strategic Objectives are as follows:

Build greater awareness of ISOC and its mission by significantly enhancing ISOC's Global Outreach programs and campaigns.

Advance the Health of the Internet by making open standards, development and deployment more tangible to business and technical communities.

Extend the Next Generation Leaders Program to build a cadre of individuals knowledgeable at the intersection of technology and policy.

Develop Additional Revenue sources, in support of ISOC's expanding suite of programs and the standards development efforts of the IETF and other organizations.

Strengthen ISOC's Chapter and Member Activities to be maximally effective in realising ISOC's mission and goals.

Enhance Network Confidence by actively promoting and supporting developments that engender user trust in networked environments.

The following summarizes each of the six (6) Strategic Objectives with a high level set of activities and expected impacts for 2010.

1. Global Outreach – Champion: Scott Hoyt

Build greater awareness of ISOC and its mission by significantly enhancing ISOC's ***Global Outreach*** *programs and campaigns.*

Summary Description

In 2010 ISOC will commence a Global Influencer Engagement Program that will form the basis of a strategic objective designed to create awareness of ISOC, its communities and expertise by establishing ISOC as a trusted source of Internet information. This **Global Influencer Engagement Program** is designed to create awareness of the issues, of ISOC, of the Internet community, and our collective expertise by establishing ISOC as a trusted source of Internet information for the media; by implementing high-profile thought leadership campaigns to reinforce ISOC's position as a leading expert on issues related to the health of the Internet; and by creating robust communications channels online, through our bureaus and chapters and during ISOC-hosted events worldwide. The program will be executed across three focus areas:

Strategic Platforms: This area of the program will involve creating or improving the channels that carry ISOC's messages to both internal and external audiences, including a new website, communications tool kits for Bureaus and Chapters, and new creative media projects including video, social, and online marketing campaigns.

Media and Influencer Outreach: To establish ISOC as a regular source of news about the Internet, the communications team will develop news-making tools such as surveys to create platform for ISOC thought leadership and awareness, cultivate media-friendly spokespeople and advocates to deliver ISOC messages (including chapter and bureau leaders); and systematically create compelling content to create awareness for our causes among key influencers and policy makers. To do so, we will develop internal processes to ensure that specific high-profile policy issues are rapidly indentified and considered, regularly create short but deeply informed position papers on key policy issues globally and in local markets, and engage in direct communications with key influencers, including: meetings, letter writing, events and briefings.

Communications Campaigns to Support Strategic Initiatives: The communications team will also assign resources to campaigns that concentrate on creating awareness around specifics issues namely Trust and Identity, Enabling Access, InterNetWorks and our 2010 Strategic Business Objectives.

Expected Impacts

Trusted Source of Information: In 2010, move ISOC to being seen by policymakers and the popular and business media as a "trusted source of information" on key Internet issues, and by 2012 move ISOC so that we are seen as an "influential source of information" by the media and policymakers on key Internet issues.

Health of the Internet: In 2010 create high awareness among numerous non-technical audiences about the importance of preserving the "Health of the Internet" and, by 2012, become an organization recognized globally for its commitment to ensuring the Internet remains a healthy, vibrant ecosystem.

Improved Global Credibility: In 2010 significantly increase awareness of ISOC's among new audiences and, by 2012, become an organization recognized for its ability to offer unique insights and to initiate important discussions on key issues involving the Internet and users.

Key Dependencies

a. The Global Influencer Program crosses every one of the functional areas; and to reach the broad and varied audiences we're targeting, we will leverage and collaborate with other departments within ISOC, and with the Chapters and Bureaus.
b. Communications and engagement will rely on broad public interest in the organization's top three priorities: Trust and Identity, Enabling Access, and InterNetWorks.
c. Success requires a culture of communications across the entire organization and will involve ISOC developing more campaigns, and deploying them more creatively and aggressively than we have historically.

2. Advancing the Health of the Internet – Champion: Leslie Daigle

Advance the Health of the Internet *by making open standards, development and deployment more tangible to business and technical communities.*

Summary Description

ISOC seeks to lead key decision makers as they undertake advances to affect the continued health of the global Internet as it faces important technical challenges.

Expected Impacts

Broader awareness of Internet issues in corporate business decisions – getting the attention and support of executive business decision makers is critical to accelerating deployment of IPv6, and other infrastructure improvements. Within the year, ISOC and ISOC's messages will be on more executive desks, well beyond the technical community.

Informal coordination of operational/technical community: continuing its current efforts, ISOC will continue to build out relationships within the operational community, to better be able to foster inter-communication, identify important trends and work to actively spur deployment.

Revenue-generating conference: ISOC is determining viable paths to providing a signature Internet technology development meeting, which would provide a periodic, revenue-generating conference on new and developing Internet technologies, featuring in depth education and awareness building for current hot topics in Internet technologies. This is a broad initiative, aimed at supporting open Internet standards, but also building a larger base of commercial development awareness of the importance and viability of open Internet standards and development.

Internet Evolution – In 2010, we will continue to identify and support open Internet standards activities, as well as research initiatives, that are driving the future Internet evolution. This will have a widespread impact in leading cross-community awareness and efficiencies. More concretely, we will use these activities to develop an accurate picture of the future Internet and its potential, providing leadership in its evolution and pushing back on non-Internet model visions of the network's future.

Key Dependencies

a. Serves as the focus for the InterNetWorks and Trust and Identity initiatives,
b. Relies on core Standards & Technology activities focused on ensuring better awareness of (and between) research and development, standards activities,
c. Requires well-managed, clear and level-toned web resources to serve as the online presence for communities with whom we are building relationships, and
d. Reaching decision makers through conference activity requires collaboration across the organization and should be seen as supportive of, the "diversity in our revenue stream" thrust of the company as a whole.

3. Next Generation Leaders – Champion: Bill Graham

*Extend the **Next Generation Leaders Program** to build a cadre of individuals knowledgeable at the intersection of technology and policy.*

Summary Description

In 2010 ISOC will deploy the first formal Next Generation Leaders program in close collaboration with our Chapters and members. The first intake of NGL participants will begin work on the e-learning curriculum that has been prepared with the DiploFoundation and ISOC. The program will also see an expansion of the experiential component that now includes IETF and IGF. The first new components will involve NGL participants in the World Bank, beginning with their ICT Week, and the OECD around the Technology Foresight Forum, both in 2010. The success of those elements will be evaluated, and other appropriate partnerships will be sought during 2010. Additional elements of the NGL program will be explored, and additional funding partners will be sought.

Expected Impacts

The Next Generation of ISOC and Internet Leaders Identified: ISOC Chapters and members will participate in selecting of promising candidates and working with them to become local, national and global leaders as part of the post program.

Develop Well-Rounded Potential Leaders: Mechanisms will be found to build interaction between NGL participants in the technical and policy streams. Such interaction is at the heart of the NGL program, as ISOC aims to create a stream of well-rounded potential future leaders to work in the Internet community at the local, regional and global levels.

Broadened Partnerships: Other organizations share ISOC's awareness of the need to identify and develop a pool of leaders that is able to scale up as the Internet expands. In 2010, we will be expanding the number of donors to the NGL program and deepen connections to the donor organizations to ensure the program remains vital and relevant. Also, in 2010, staff will continue to explore potential linkages to formal post-secondary academic institutions, as we seek to grow the NGL program's influence and effectiveness.

Key Dependencies

a. The Next Generation Leaders initiative's success depends on all of ISOC – staff, chapters and members to identify and select NGL candidates and integrate NGL participants into ISOC's membership (COO, Communications, Membership, SGE).
b. Providing content and inspiration for candidates as well as ensuring exposure to both Internet policy and Internet technology (Development, Membership, Public Policy, Standards and Technology, Global Outreach, Trust and Identity).
c. Requires mentorship and networking for participants by the entire organization.
d. Broadened by relationships with post-secondary academic institutions to be built in 2010.

4. Additional Revenue Sources – Champion: Jon McNerney

*Develop **Additional Revenue Sources**, in support of ISOC's expanding suite of programs and the standards development efforts of the IETF and other organizations.*

Summary Description

In order to fund and expand ISOC's mission it is critical that existing revenue streams are continuously improved and new ones established for long-term stability and diversity of funding sources. Increased effort was started in 2009 to refine existing programs while in parallel vetting new programs based on durable viability and reasonable resource requirements and start-up costs. We seek to enhance and drive multiple revenue streams to increase revenue generation and acquire new organizational members/sponsors/partners, and contributing individual members thereby expanding the reach and impact of the Internet Society.

Each revenue stream requires consistent effort, focus, and monitoring and we have selected programs that can grow and produce results without over-taxing available means.

Expected Impacts

In 2010, we seek to aggressively maximize the near-term revenue contribution from multiple programs while expanding the overall capacity of each revenue-generating campaign for continuous growth. In parallel, we will seek to raise the visibility of ISOC with prospective sponsors and partners in a strategically oriented environment that encourages long-term and holistic focus on relationships and creation of new revenue programs.

Regionally Focused Organizational Member Campaigns and Outreach:

Using activities and events (e.g. INETs) to engage with regional businesses, and offer new opportunities for global organizations with regional interests to leverage the value of ISOC support.

Building relationships with corporate social responsibility (CSR) programs with goals furthered by support of ISOC's activities.

Developing more industry vertical campaigns that align with business focus, such as: privacy and trust within the financial or medical/pharma sector, and, internet infrastructure issues, such as IPv6, within the service provider sector.

Continue to develop ISOC's Advisory Council for greater participation, collaboration and reciprocal value.

Refine, magnify and bolster the overall sponsor value and ROI.

Expand ISOC's Annual Giving Program More Broadly: Drive a consistent and professional program to all ISOC members and beyond, beginning with the current base of "sustaining" and higher level individual members.

Resource and Boost the Grant Program: Provide day-to-day management and increase pro-active outreach. Map Grant-giving opportunities more deeply into ISOC initiatives and projects, such as, but not limited to, EA's technical capacity program and T&I's knowledge on trusted networks and privacy.

IETF Funding vis-á-vis Multiple Programs: These programs are explained in a separate section.

Key Dependencies

Revenue generation is best achieved by a company-wide commitment to identifying, qualifying and establishing broader sources of funding to support ISOC's activities. Some key factors (also discussed in greater detail in the Revenue Plan section of this Business Plan):

a. Focus on developmental programs in developing areas of the world, seeking partnerships with organizations (both governmental and business) to expand ISOC's reach and reputation.
b. Depend on every organizational group within ISOC to help develop programs that will attract partners and funding.
c. Gain acceptance in the grants community.
d. Prioritize our efforts on programs that represent opportunities for enduring support sufficient to ensure ISOC's long-term legacy.

5. Chapter & Member Structure – Champion: Jon McNerney

*Strengthen ISOC's **Chapter and Member Activities** to be maximally effective in realising ISOC's mission and goals.*

Summary Description

ISOC is the leading international organization acting as guardian of the future 'health' of the Internet. Through the Chapters, individual members, and Organization members ISOC is at the hub of the largest international network of people and organizations that work with the Internet.

The vision for the Chapter and Member strategic objective is for the Chapters to be effective at the local level in pursuing and realising ISOC's mission and goals, for Chapter leaders to be engaged with their membership base, providing leadership in their local community with a strong reputation for making a positive impact locally, to be robust and legitimate organisations with good governance, and to be well integrated into and supported by ISOC's staff worldwide.

Active, legitimate and reputable Chapters are vital components of ISOC. They are strategically important to ISOC's success and credibility as an international leader in advancing the sustainable growth of the Internet. Significant resources are being deployed, reflecting the critical importance of Chapters to the organisation. At the heart of Chapters are individuals who have a strong ethical and value based commitment to the ISOC cause. At the same time Chapter leaders and members are motivated by the opportunities for professional networking that the community offers. To be effective in the pursuit of our goals, these two drivers must be recognized as fundamental.

Expected Impact

The framework for the work is the 'Chapter Development Plan' which expresses our multi-year strategic effort. Four core areas of the Plan are: Chapter Policies and Procedures; Stakeholder Relationships; Tools, Communications; and Support and Funding support.

The vision in 2010 is to "lift the game". Concisely, this means that there should be 10% fewer Chapters in the dormant and semi-active categories than there were in 2009, while more Chapters are successfully rejuvenated and are legitimate organisations practicing good governance. ISOC members who belong to Chapters should begin to see a shift in what it means to belong to a Chapter. It should be understood that the process of standing up a Chapter to become fully functioning with a robust structure takes time and a multi-year effort.

At the same time, the number of new Chapters created continues to rise. The goal must be due diligence and support towards new Chapters that are sustainable, legitimate, robust and working in partnership with their local community and members.

While the strategy for 2009 was to emphasize ISOC's aid and assistance of Chapter vitality the strategy for 2010 is 'going local'. This is operationalized with a strong focus on Chapter activity in the regions. The Regional Bureaus as well as other programmatic and departmental staff from within ISOC will support this 2010 strategy.

Five key themes with specific programmes will be driven throughout the year:

1. "Sharing Our Success": The objective is to build programmes and campaigns that enhance the value and leverage the skills in the social network and chapter-to-chapter support, accomplished via:

   Chapter workshops alongside INETs and other meetings
   Chapter Member recruitment campaign
   Travel Fellowships
   Membership Reinvigoration aka Event Funding
   Continuation of Sphere framework and project groups

2. Leadership, Promoting Excellence and Recognition: The objective is to build programmes that promote and foster the next generation of Internet leaders, as well as recognize excellence and reward significant contributions to ISOC's mission and to develop leadership skills in Chapters. This will be accomplished with the help and collaboration of Chapters:

   NGL – Chapters as channels for young leader identification
   Chapter Awards and Recognition Program
   Chapter 'Toolkits' on Policy, IPv6 and membership management

3. Chapter Accreditation: The objective is to support the standing of Chapters to a more professional and legitimate basis, where expectations and obligations are well understood. This will be accomplished via continued development and communication of Chapter agreements and policy framework. Specifically:

   Continued development of Policy framework and Chapter Agreement
   Implementation of the Chapter agreement and policy framework
   Development of internal procedures to support the framework

4. Services and Infrastructure Development: The objective is to continue to provide Chapters with basic support and infrastructure tools to enable them to manage their members and to support outreach and information dissemination more effectively. This will be accomplished in collaboration with Chapters through:

   Development of communications collateral to support outreach to members
   Effective membership management through the deployment and use of the AMS, alongside continued training and support as Chapters migrate
   Continued development and delivery of a platform for collaboration and communication ("Engagement model") as phase 2 of the AMS.

5. Partnerships with Chapters on Specific Policy or Operational Accomplishments: the objective is two-fold: to align specific ISOC internal policy objectives with Chapter policy goals and to align and integrate specific operational accomplishments with Chapter development. This will be accomplished mainly via:

Execution of the regional INET conferences uniquely advances the ISOC Global public policy agenda together with the public policy agenda of the host Chapter.

The Community Grants programme which is specifically oriented towards projects by Chapter and Individual members that strongly align with ISOC's strategic initiatives of Enabling Access, Trust and Identity and Internetworks.

Continuation of Sphere discussion groups and other working groups such as the 'copyright' group to deliver an ISOC policy position or solution to a particular problem (e.g. how to effectively scale ISOC's translation efforts).

Chapter members are a key partner in the NGL programme sourcing the next generation of Internet leaders. The programme has specific tie-ins to Chapter development and capacity building for graduates of the programme.

Key Dependencies

For Chapter Development the key dependencies include critically, the support, and collaboration of Chapter leaders: without their engagement, both with other Chapter leaders and with ISOC Global, the Chapter programme will not be effective in achieving its goals.

Equally important is the support of the staff from across the organisation who will collaborate with and support Chapters; in particular there are key dependencies in Events, Policy, GSE, S&T and in Communications; in each area there are on-going tactical and operational benchmarks to achieve. Support, ownership and participation from the Regional Bureau Managers is necessary as the regional point of contact for Chapters executing Chapter programmes. And finally, Chapter participation in "engagement model" framework for Phase 2 of Aptify is critical and necessary to ensure success and expectations of the deliverable.

6. Network Confidence – Champion: Lucy Lynch

*Enhance **Network Confidence** by actively promoting and supporting developments that engender user trust in networked environments.*

Summary Description

Confidence results from trust developed through positive interactions experienced over time. In the real world, trusted interactions are the result of persistently satisfactory, successful transactions, with positive outcomes for all parties. This includes understood mechanisms for verification, repudiation, remediation and recourse. Accountability is essential. Trust does not require absolute surety, but it does require shared information, experience, and judgment.

A major goal for the work taken on by The Internet Society and our collaborators has been to protect, enhance, and sustain the capacity for full interaction on the Internet. We assert the importance of a common and open Internet and recognize the intrinsic value in its ability to reach and engage parties anywhere around the world. We also acknowledge that there are real risks associated with networked interaction and these risks, left unmanaged, would limit the Internets potential as the basis for innovation and economic growth. Security technologies, well-publicized best practices for network operations, and close coordination among Internet stakeholders are all vital to the health and safety of the current Internet. However, if we want to continue to experience the benefits of a common and open Internet, we must also recognize the limits of focusing on security alone. The Internet must evolve in order to build user confidence: just as in the real world, confidence opens doors to new opportunities.

Expected Impacts

In 2010 the Internet Society will actively promote and support the development of open standards, technologies, applications, and policies that engender trust in networked environments. We will provide education and guidance on methods for ensuring full participation from Internet stakeholders and enabling individual accountability.

The key impact sought in 2010 is a reframing of the debates over the health and safety of the Internet. Our Network Confidence messaging will compliment the existing Internet Model and Internet Ecosystem streams and will serve to expand the current dialog on Cyber Security. This work should reinforce the importance of current security efforts, while providing clear guidance the importance to achieving real trust in order to preserve the benefits of the common and open Internet.

Key Dependencies

Building the Network Confidence campaign will draw on expertise across multiple departments and initiatives including: Global Strategic Engagement, Common and Open Internet, Trust and Identity, Public Policy, Chapters and localization resources. The messages developed will be embedded in external Internet Society communications in multiple forums and the Communications department will have a major role in developing materials and coordinating delivery to a broad range of audiences. The successful introduction of the Internet Ecosystem concept in 2009 will serve as a model for this work.

2010 – 2012 Business Plan

IV. Revenue Model

IV. 2010 Revenue Model

ISOC's funding is derived from four main sources: PIR contributions toward ISOC's public mission, dues and sponsorships from out Organization Members, sponsorships and grants from our partners and other institutions interested in our mission, and sustaining member dues and donations. In addition, ISOC secures sponsorship funding for IETF meetings and seeks other supporting sources of funding to help ensure the sustainability of the IETF.

Organization Members (Sponsorships and Dues)

Org Members provide valuable support to the Internet Society, both in their guidance and in financial support. For financial support, ISOC offers several opportunities for our Org Members to participate in the activities of ISOC and the IETF.

ISOC offers the opportunity for two types of recurring membership support, an annual Organization Membership and a Platinum Sponsorship. By accounting convention, Memberships are recognized over the twelve-month period following receipt. By contrast, Platinum sponsorships can be recognized in full at the time of receipt. The Internet Society will continue to value and grow its Organizational Member base and funding, leveraging programs and progress created in 2009.

In this Membership effort, we have a dual focus. First, the Org Membership team seeks to maintain our current base of supporters. This existing group has long contributed to the mission of ISOC and the IETF. However, we recognize that economic factors and corporate migrations have a sizable impact on the rate of Membership growth. In 2008, ISOC lost less than 5% of its Membership (based on number of members – 2 members). In 2009, seven members elected not to renew, as the global economy has impacted ISOC as it has nearly all membership organizations.

To offset this Membership attrition, ISOC has set aggressive goals for securing new members. In spite of a challenging economic environment we were able to achieve our 2009 renewal goals and over-achieve our goals for Platinum sponsorships. New programs were launched in 2009 which will be maintained and supported in 2010. These programs have created the desired impact of greater awareness of ISOC's mission, in turn generating interest and financial commitment on behalf of our new Organizational Members. The growth in Membership base over the past two years is reflected on the following chart (with our 2010 objective):

	Beginning of Year		Non-Renewing Members		Downgrades		New Members		Upgrades		End of Year	
	#	cash dues	#	cash dues	#	cash dues	#	cash dues	#	cash dues	#	cash dues
Org Members												
2008	69	$563,750	(2)	$ (60,000)	*(2)*	$ (32,500)	16	$128,750	*4*	$67,500	83	$667,500
2009 (Projected)	83	$667,500	(7)	$ (95,000)	*(5)*	$ (58,750)	30	$172,500	*0*	$0	106	$686,250
2010 (Budget)	106	$686,250	(4)	$ (50,000)	*(2)*	$ (20,000)	34	$200,000	*3*	$10,000	136	$826,250
Platinum Sponsors												
2008	4 *	$300,000	0		*0*		0	$0	0	$0	4	$300,000
2009 (Projected)	4	$300,000	(1)	$ (100,000)	*0*		1	$100,000	1	$50,000	5	$350,000
2010 (Budget)	5	$350,000	0		*0*		1	$100,000	0	$0	6	$450,000
	* Includes equipment donation recorded for accounting purposes in 2008 instead of 2007.											

The 2009 new member objective of 25 new members was achieved, and we now project that we will add as many as 30 new Organizational members in 2009. Anticipating strong momentum in this program we target 34 new Organizational Members in 2010, which would result in a total Org membership base of 133 at year end, nearly doubling our membership base since the beginning of 2008. This pace for new members is particularly important, since the members who have downgraded or lapsed over the past two years have tended to represent a higher membership level (e.g., Google, Lombard Odier), while most new members start at lower levels and work up in status.

Attracting Support from New Industry Verticals

As indicated in the 2008-2010 Strategic Membership Plan (presented to the BoT at the Vancouver meeting in November 2007) we began approaching select industry verticals outside of the "I" industry space (e.g. vendors, network operators, registries, etc). We took advantage of Geneva's standing as a financial center to start with banking and held an event showcasing our Trust and Identity work. This has already produced a prospect pipeline and will be expanded as we continue similar efforts to attract interest from non-traditional sectors like video gaming, supply chain management, pharmaceuticals, etc.

Elevating the Level of Engagement within Organizations

In concert with geographical and regional efforts, we have also begun to build "Regional Business Leaders Luncheons/Dinners" into the planning for our presence alongside ISOC meetings and others where we plan significant staff presence. These meetings target managers only at the "Director" level and above to ensure that we are reaching people who can evaluate our work as pertains to their organizations strategic priorities and can make or directly influence funding decisions. We have had three such functions associated with regional INET's and also one at the eIndia conference in Hyderabad hosting approximately 70 such individuals with member and potential prospect organizations.

Engagement with new partners has created the desired effect of introducing ISOC to new organizations globally. Membership outreach driven by new partnerships has been highly productive. Maximizing these relationships will be a key focus in 2010. For example, important partner relationships to be enhanced, resulting from 2009 efforts, are The Arab Regional Internet Service Providers Association; The Evian Group, Switzerland; Medef, France; Nasscom, India; Nixi, India, FICCI, India; The Geneva Foundation, Switzerland; and LIFT,

Europe & South Korea. Additionally, although not completed, key relationships were created with higher education institutions such as IMD, Switzerland; INSEAD, France; and EPFL, Switzerland.

The Advisory Council has become increasingly active in leadership, participation, and collaboration. Much credit needs to be given to the energy and focus provided Drew Dvorshak and the ISOC team to frame and enhance the overall effectiveness of the AC. Increased support and collaboration will be planned for continuous improvement of this strategic Organizational entity within ISOC.

Sponsorships, Grant, and Symposiums

Sponsorships have long been an important funding source for the Internet Society. Much of these sponsorships have been dedicated to providing host funding for IETF meetings (IETF-specific support will be discussed later). Typical other sponsorships have helped fund the Postel Award, the Postel network operators grants, IETF Fellowships, and IGF Fellowships.

In the past, ISOC has focused its sponsorship fund raising efforts on its members and other collaborators in the Internet ecosystem. In an attempt to broaden its fundraising efforts, ISOC began in 2009 to build a consistent and durable revenue-generating Grants Program. We launched our efforts starting with the engagement of a grants research consultant (High Impact Partnering, New York), proceeding to a research phase in February, and followed by a phase-one outreach program to over 20 grant-giving foundations and corporations in June.

As part of our initial outreach, we found technical capacity development efforts in Africa and other developing areas of the world are our highest profile activities. Funding opportunities exist in other program areas, but require a more targeted approach to identify potential partners and funders. Consequently, in 2010 ISOC plans to increase our focus on development activities in technical capacity development. Based on our 2009 efforts, we feel strongly that the building blocks are in place to nurture a long-term revenue stream. Each area of the company, from our Development Department to our Regional Bureaus, will focus on this mandate.

Symposium attendance and sponsorship revenues will also contribute to ISOC's overall funding, but remain break-even endeavors for the most part. In 2010, we will seek to launch a Standards & Technology driven "Internet Technology Development Roadshow", joining the NDSS event.

The 2009 (forecast) and 2010 (budget) for sponsorship, grant, and symposium revenues include:

	2009	2010
NDSS	$ 83,500	$ 88,000
Technology Development Roadshow	- 0 -	50,000
Subtotal – Symposiums	83,500	138,000
IGF Ambassador Sponsorships	60,000	110,000
IETF Fellows	45,000	45,000
Other Grants & Sponsorships	47,000	340,000
Subtotal Grant & Sponsorships	152,000	495,000
	$235,500	$633,000

We expect increasing momentum from our ongoing outreach activities and contacts. The budget for 2010 is more than triple the expected amount of 2009 grants and sponsorships, based on the pipeline of grant prospects developed in 2009. The single largest challenge has been to get an audience with the target foundations. We are optimistic about in-person meeting with several key foundation funders in the final two months of the 2009. The 2009 outreach effort has raised ISOC's visibility within the foundations and we expect to leverage this awareness further throughout 2010. To that end we have moved beyond the research and "who is ISOC" phase of the program and are now entering a phase where we are getting first meetings with OSI, Oak Philanthropy, Ford Foundation and Telefonica, and, second meetings, for example, with Aga Kahn. Additionally, as a result of higher refinement of our EA initiative we are more adept at mapping our existing and planned projects more tightly with the on-going programs of our identified grant-givers. To be clear, the initial phase of introducing ISOC to the grant-giving community took more time than expected and will continue to require repeated attempts to "get in the door."

ISOC is currently seeking a Director of Business Development with grant funding experience to help nurture and accelerate the Grant program.

Individual Members (Dues and Donations)

Individuals support ISOC by participating in many programs and events as well as in direct financial contributions. Contributions and donations from individual members can be an increasingly important source of long-term revenue. To that end, much of 2009 was dedicated to the on-going clean up our individual member database as well as improving our donation process. With the implementation of the initial phase of ISOC's new AMS system in November 2009, we are now in a position to dramatically improve our donation outreach, tracking and follow-up. Additionally, given this improved data clarity, in 2010 we will launch new programs that aim to increase this revenue stream while professionally recognizing the individual donor's contribution to the mission of ISOC.

ISOC has benefited from a consistent but low contribution rate – in terms of individual amounts and total annual donors – from individual members. Although not a significant revenue source itself, we do anticipate that we can involve individual members and contributors and that a larger portion of our individual member base will make the decision to contribute.

The new membership system infrastructure:

- will allow individuals to join ISOC more easily via the ISOC website;
- is localised in English, French, German, and Spanish;
- will let each new Global/Sustaining Member to indicate interest in one or more Chapters during signup;
- will permit sustaining Members pay directly via their credit card;
- supports individual donations via AMS. Members or non-members can donate to ISOC at a variety of different levels;
- as well as other administrative benefits,..

ISOC has in the past issued cards for members and donors to recognize the financial contribution they make to support the work of the Internet Society (ISOC). In response to member requests, ISOC will issue small wallet size cards in 2010 to recognize individual Sustaining members and Donors. Cards will be issued annually in line with renewed membership or donations giving.

IETF Sponsorships and Support Initiatives

ISOC supports the IETF by securing hosting and sponsorships for its meetings. In 2009, these commitments amounted to $948,000, or nearly 30% of the external funding of the IETF. In 2010, ISOC is targeted to $910,000 in meeting sponsorships.

ISOC is also tasked with creating and implementing additional revenue streams to financially support IETF's on-going operations and move the IETF closer to self-sustaining status. Several programs have been forwarded to the IAOC for consideration. Although initial contributions to the overall funding of IETF are expected to be small, we believe continuous focus and development of the programs will provide incremental funds in the coming quarters and years.

For 2010, the ISOC team expects to deliver approximately $100,000 in new revenue sources. The programs we hope to introduce have been targeted as viable due to reasonable start-up costs and the potential for third-party management. Over the near term, the most promising new effort is IETF Hospitality, which was launched in 2009 with a sponsored hospitality event in Stockholm. We anticipated that Hospitality sponsorships, if framed independently of overall Premier sponsorships, will create a higher rate of uptake by targeted sponsors.

The revenue forecast for 2010 is conservative until experience, resources, and acceptance by the IETF community provide better clarity and confidence. We recommend that ISOC and the IAOC commence with certain programs that can be managed and developed within the resource constraints in place.

Summary – Revenue Model

In summary, the revenue generation team is responsible for fund raising activities supporting multiple areas. A key priority remains the IETF, including meeting sponsorships and the development of new revenue streams.

Furthermore, vigorous effort will continue to secure Grants, building on our efforts in 2009. Multiple promotional campaigns are underway to attract and secure funding from new Organizations and partners. Finally, in 2010 we will introduce a new Internet Technology Roadshow which, together with the NDSS, will form an important source of participation revenue and outreach.

As a whole, we believe the foundation has been built to achieve our revenue forecasts in 2010. Total revenue generation results are budgeted to increase 26% over that of 2009, and total nearly $3 million.

Internet Society
Summary of Revenues
2010 Budget ($000's)

	2009	2010		
	Forecast	Budget	Greater Than (Less Than) 2009 Frcst	% Increase (Decrease)
Revenues				
Organization Membership/Platinum Sponsorships	$ 1,140	$ 1,300	$ 160	14%
Individual Member Dues & Donations	10	15	5	50%
Symposium Registrations and Sponsorships	84	138	54	65%
Sponsorships and Grants (excluding IETF)	155	495	340	219%
ISOC Sponsorships for IETF	948	910	(38)	-4%
Alternative IETF Revenue Sources	10	100	90	900%
Total Revenues	$ 2,347	$ 2,958	$ 611	26%

2010 – 2012 Business Plan

V. 2010 Budget and 2011–2012 Forecast

V. 2010 Budget and 2011-2012 Forecast

Overview

The proposed budget for 2010 incorporates a much smaller growth in staffing and core activities compared to the 2009 budget. ISOC seeks to build upon its efforts with respect to its Initiatives and its 2009 Strategic Objectives, while focusing any growth in spending on specific targeted priorities.

At the same time, ISOC has budgeted for a substantial increase in support for the IETF and other Standards Development Organizations (SDOs). The IAOC has presented a 2010 budget reflecting a $1.56 million request for support of their ongoing activities plus a $575,000 capital budget for tools development. In addition, ISOC's proposed budget includes $500,000 for activities with other SDO's in 2010.

ISOC management has worked with PIR's management and Board of Directors to prepare an ISOC budget that recognizes PIR's anticipated slowing of the rate of its revenue growth, and consequently funds made available to ISOC. ISOC continues to focus its efforts on securing other forms of funding to lessen the reliance on the growth in PIR's contributions. The current budget relies on PIR guidance that their contribution for 2010 is expected to be $17 million. PIR has committed to reviewing this figure in December 2009 and throughout 2010.

ISOC Revenues

ISOC funding sources, including those sources discussed in detail in the Revenue Plan section above, are summarized in the following chart. The chart compares the proposed 2010 Budget with the 2009 Budget and most recent 2009 Forecast.

Internet Society
Summary of Revenues
2010 Budget ($000's)

	2009			2010	
	Budget	Forecast	Greater Than (Less Than) 2009 Budget	Budget	Greater Than (Less Than) 2009 Frcst
Revenues (including IETF)					
Organization Membership/Platinum Sponsorships	$ 1,300	$ 1,140	$ (160)	$ 1,300	$ 160
Individual Member Dues & Donations	8	10	2	15	5
Symposium Registrations and Sponsorships	100	84	(16)	138	54
Sponsorships and Grants (excluding IETF)	300	155	(145)	495	340
IETF Meeting Reg, ISOC Sponsorships, Other Revenues	3,622	3,229	(393)	3,134	(95)
PIR Contribution to ISOC	15,000	14,000	(1,000)	17,000	3,000
Total Revenues	20,330	18,618	(1,713)	22,082	3,464

Organization Membership/Platinum Sponsorships

While ISOC exceeded its new membership goals for both Org Members and Platinum Sponsors for 2009, we forecast that non-renewing or downgrading members will cause us to miss our revenue target for 2009. For 2010, anticipating a continued unfavorable worldwide climate that has affected all membership organizations, ISOC expects continued slow growth in membership revenue through our aggressive membership development programs.

Individual Member Dues & Donations

As discussed in the Revenue Plan section of this Business Plan, the new AMS system and database work will place ISOC in a position to expand its outreach to individual members, growing that revenue base for the first time in years. However, this revenue source will remain a modest one.

Symposium Registration and Sponsorships

This year, we plan to add a second symposium series, joining the NDSS symposium held annually in January. The new program, to be developed and first held in the second half of the year, will be a Technology Development Roadshow sponsored by our Standards & Technology Department. Both symposiums are expected to generate registration and sponsorship revenues that offset the cost of the events, but provide more recognition than funding beyond their own costs.

Sponsorships and Grants

This is the expected area of the greatest growth in revenue over the next several years. As detailed in the Revenue Plan section, this source is budgeted to more than triple from its fairly modest levels of 2009. Grants and sponsorships will be sought both through a formal grant seeking program and from traditional sponsors and partners for ISOC's ongoing projects and programs.

IETF Meeting Registration, ISOC Sponsorships, and Other Revenue

Revenues in support of the IETF are expected to remain consistent with the amounts generated in 2009. The IAOC has recommended that meeting registration fees be held at their existing levels for the third year in a row. (Note that budgeted IETF 2010 revenues are well below those budgeted for 2009 because of the "Large Interim Meetings" that were planned for 2009 but eliminated before implementation).

PIR Contribution

PIR contributions to ISOC's mission, as a supporting organization, constitute the bulk of ISOC's annual funding. In 2009, ISOC managed its own spending to require $1 million less in support from PIR. At the same time, ISOC has requested that PIR consider increasing funding for 2010. PIR's Board of Directors has approved a budget that targets an increase in ISOC contributions to $17 million. This level of funding has caused ISOC to amend some of its program plans. PIR has agreed to review this funding level in December 2009 and periodically during 2010.

Based on these revenue sources, ISOC has constructed a 2010 budget based on $22 million in total revenues.

Departmental and Program Expenses

ISOC reports its expenses in two categories. The first category is according to functional area, or department. The second category represents programmatic expenses in support of ISOC's Strategic Initiatives. This reporting format was first adopted in 2008.

A comparison of the 2010 proposed budget for all ISOC expenditures is reflected in the following table.

Internet Society
Summary of Expenses
2010 Budget ($000's)

	2009			2010	
	Budget	Forecast	Greater Than (Less Than) 2009 Budget	Budget	Greater Than (Less Than) 2009 Frcst
ISOC Department and Program Expenses (exl IETF)					
Departmental Expenses (Including Core Projects)					
Operations Group					
COO & Support Functions	$ 899.3	$ 1,071.9	$ 172.5	$ 924.5	$ (147.4)
Development	1,178.2	839.4	(338.8)	1,007.9	168.4
Regional Bureaus	618.3	597.5	(20.8)	1,499.9	902.4
Organization Members	1,112.3	777.3	(335.0)	1,667.1	889.8
Chapters and Individual Members	1,176.4	1,196.9	20.5	1,195.8	(1.0)
IT	1,289.4	1,541.7	252.3	1,631.5	89.9
Subtotal Operations Group	6,273.9	6,024.6	(249.3)	7,926.7	1,902.1
Strategic Group					
Standards and Technology	1,370.4	1,336.8	(33.6)	1,541.4	204.6
Major Strategic Initiatives	845.0	701.1	(143.9)	896.8	195.7
Strategic Global Engagement	770.4	813.3	42.9	972.0	158.7
Public Policy	1,452.9	1,344.7	(108.3)	952.0	(392.6)
Communications	2,396.6	2,224.2	(172.4)	2,836.8	612.6
Subtotal Strategic Group	6,835.2	6,420.0	(415.2)	7,199.0	779.0
Subtotal Departmental Expenses	13,109.1	12,444.6	(664.5)	15,125.7	2,681.1
Initiative-Based Program Expenses					
Enabling Access Initiative	1,359.0	1,323.5	(35.5)	1,089.0	(234.5)
InterNetWorks Initiative	285.0	102.3	(182.7)	190.0	87.7
Trust & Identity	198.5	120.0	(78.5)	200.0	80.0
Other Programs/Projects *(NDSS, Postel Award)*	110.0	103.8	(6.2)	113.0	9.2
Subtotal - Initiative-Based Program Expenses	1,952.5	1,649.6	(302.9)	1,592.0	(57.6)
Total ISOC Expenses (excl IETF)	15,061.6	14,094.2	(967.4)	16,717.7	2,623.5
IASA/IETF Expenses (excluding Capital)	5,076.0	4,572.0	(504.0)	4,696.0	124.0
Other Contributions - Standards Development Orgs	-	-	-	500.0	500.0
Total Expenses	$ 20,137.6	$ 18,666.2	$ (1,471.4)	$ 21,913.7	$ 3,247.5

Departmental Expenses

Departmental expenses allow budget-responsible managers to control internal costs against the budget approved annually by the Board of Trustees. Total Departmental Expenses for 2010 are budgeted to be $15.1 million. This represents a 15% increase over the 2009 approved budget of $13.1 million and a $2.68 million increase over the forecasted 2009 Departmental Expense level. Using the 2009 forecast as a base, a brief explanation of the year-over-year changes is:

COO & Support: Expenses in this area decline, as the Grants Manager and grant research budget have been moved to the Org Membership Department.

Development: Formerly titled the Education Department, expenses will increase in 2010, as the department maintained a below-budget headcount for 2009 (part-time Director in the first half, and open position through attrition in the second half). The responsibility for and the cost of producing the IETF Journal has been moved to the Communications Department.

Regional Bureaus: In 2010, ISOC will add a European Bureau and a North American Bureau (although this will be staffed by a US based Policy person in 2010, hence costs are not included here), transferring the current Director of Public Policy to head that bureau. The increased budget represents that headcount addition, plus the concurrent increase in travel and office costs. In addition, the cost of the regional INET and other regional meetings has been transferred from the Enabling Access Initiative to the Bureau budgets to more accurately reflect the broad scope of these meetings ($250,000). Finally, General & Administrative costs that are allocated based on personnel costs (see the following subsection) have increased in proportion to the increase in Bureau personnel costs.

Org Membership: Expenses increase with the addition of a Director of Business Development and the transfer of the Grants Manager into this department. The Director of Business Development reflects an increase in resources dedicated to revenue generation and grants development. In addition, the Geneva-based senior manager will have been on board for all of 2010 vs. the partial year in 2009. The departmental travel budget and the G&A allocation increase relative to this increase in personnel costs.

Chapters/IM: The Chapters/IM budget increases in core programs dedicated to Chapter support (notably Chapter Travel Fellowships, Chapter Events Support, and a new Chapter Awards Program). However, the membership maintenance/hosting/database administration costs ($140K) have been moved to IT, and the Sphere project is now fully volunteer administered ($62K). Therefore, Chapter program expenditures have been increased accordingly.

IT: The expenses in this support area increase slightly, as implementation expenses related to the new AMS system are expected to decline in 2010, partially offset by higher costs of hosting and maintenance of the new system. Partially offsetting this decline, the 2010 budget includes the value of donated services to replace the Marratech conferencing system.

Standards & Technology: Expenses increase almost entirely for the cost to develop a new symposium (the Internet Technology Development Roadshow). These start-up costs are expected to be non-recurring, as the symposiums themselves will be supported by attendance fees and sponsors. In addition, S&T takes over funding for two technology partners, Internet2 and Kantara.

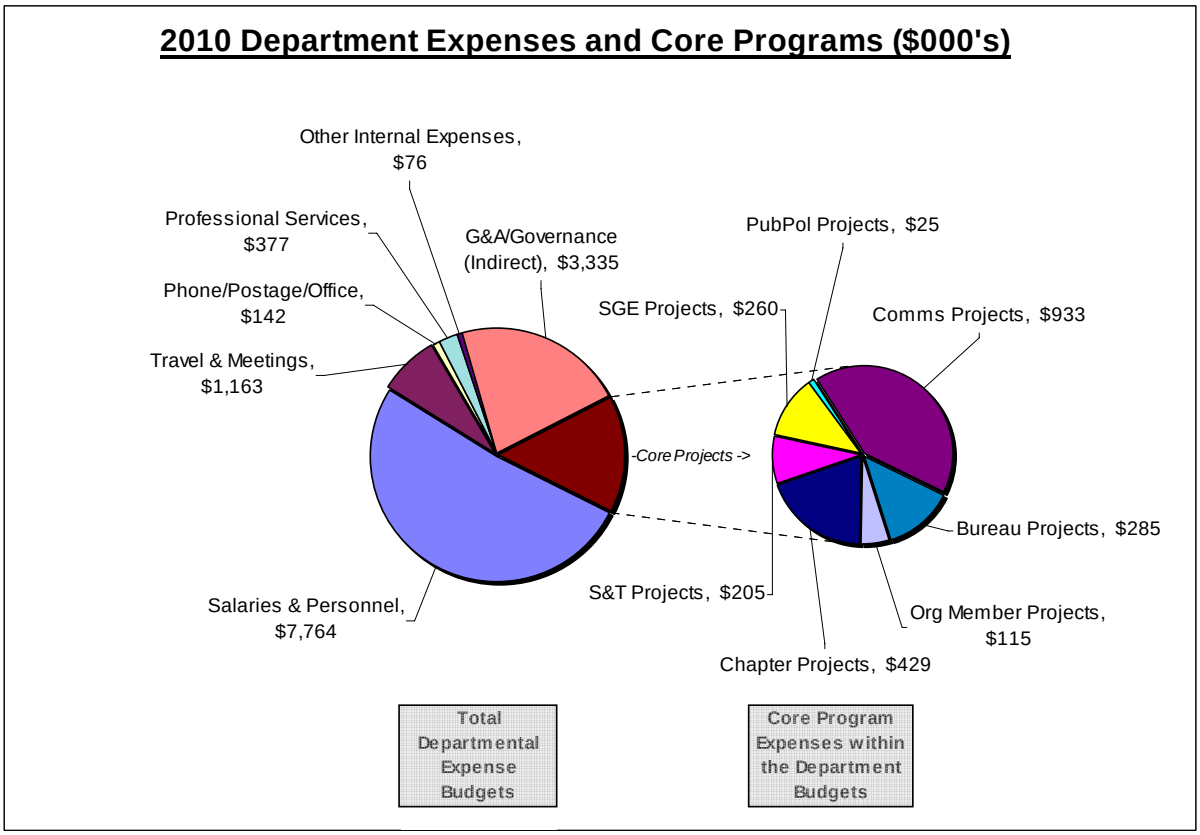
Major Strategic Initiatives: Expenses increase based on full staffing for the entire year 2010, with concurrent increases in travel and G&A allocation.

Strategic Global Engagement: Half of the expense increase in this area relates to the impact on staff costs created by the declining US dollar. The remaining budget increase is for program budget increases for the Next Generation Internet Leaders (NGL) program and the Internet Ecosystem Summit Taskforce program.

Public Policy: In line with ISOC's emphasis on localization via the Regional Bureaus, this functional area has been transferred from the COO's operational grouping to an executive level organizational position. A senior level position will be filled during the second quarter, replacing the Director who will be moved to the European Bureau to emphasize ISOC's activities in the EU community. The decline in this budget reflects the mid-year hiring of this senior position, the concurrent reduction in G&A allocation, and the absence of a one-time "Public Affairs Roadmap" project completed in 2009.

Communications: Increasing communications and event management responsibilities have been absorbed by the Communications Department, including the IETF Journal and campaigns supporting ISOC's major programs. In addition, the Communications plan includes increased support of the regional INET meetings, multilingualism, and marketing materials. Personnel costs will increase with the hiring of a Communications Director focusing on strategic communications.

Departmental Expenses can also be broken down into their natural expense categories across all departments. For instance, more than 50% of all Departmental expenses related to staff costs. About 22% of total Departmental costs represent an allocation of General & Administrative costs (detailed later) and 14% of total Departmental costs represents external project expenses sponsored by a department (for example, Chapter programs, Communications projects, INET meetings, Next Generation Leaders). This view of departmental expenses is best demonstrated graphically:



Initiative-Based Program Expenses

Expenses related to ISOC's Strategic Initiatives are reported separately from the Departmental expenses. These costs represent external expenses required to deliver the programs within the three Initiatives.

Total Initiative-based program expenses are expected to be relatively flat for 2010 when compared to the 2009 forecast. A brief explanation of the year-over-year changes is:

Enabling Access: Program expenses for the Enabling Access Initiative decline overall, as the INET Meeting costs ($250K) have been transferred to the Bureau Departmental budget to better reflect the broadened scope of the INET meetings beyond the goals of Enabling Access. In addition, the project to support the Real Time Text protocol development ended in 2009 ($185K). Focus in 2010 will be on Technical Capacity Building programs within the regional framework. Concentration will also be directed toward projects in which ISOC can leverage partnerships with other organizations with similar goals with respect to Internet access.

InterNetWorks Initiative: Program expenses in support of this Initiative will increase slightly from the forecasted level of 2009. The programs within this Initiative include support for a Common & Open Internet, IPv6 and Global Addressing issues, and review of technical issues surrounding alternative networks.

Trust & Identity Initiative: T&ID program expenses increase from the amount forecast for 2009. The additional staff from 2009 will allow the MSI staff to increase involvement in building a consensus and direction for this subject deemed important to the future of the Internet.

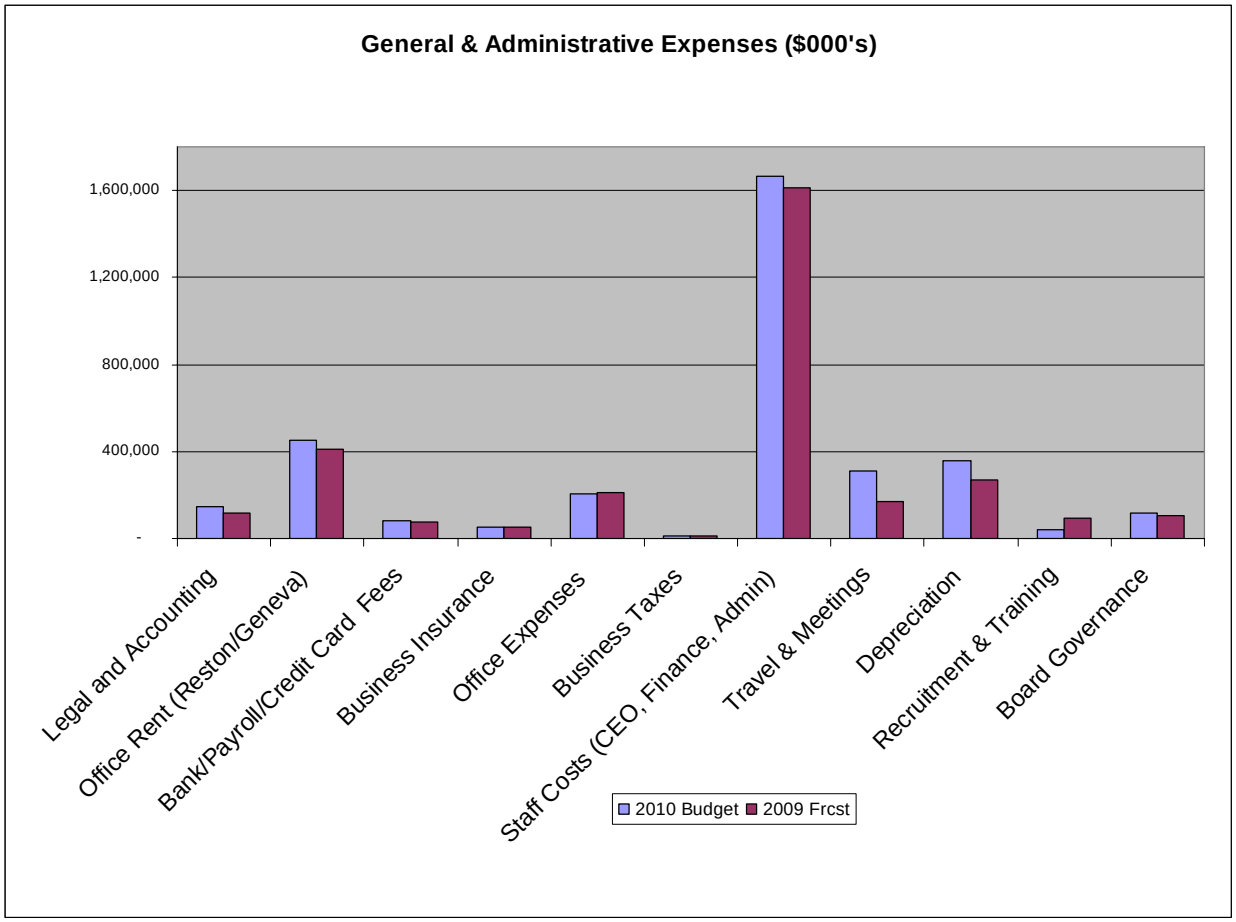
Other Programs/Projects: ISOC also contributes to other programs and organizations not directly associated with Initiatives. These include the cost of the NDSS Symposium and the annual Postel Award.

Standards Development Organization (SDO) Support

The Internet Society is dedicated to supporting the further development of the Internet worldwide. ISOC has supported the work of the IETF for many years. Beginning in 2010, ISOC proposes to support additional SDO activities and this is covered in a separate report to the Board.

General Administrative Expenses

General and Administrative Expenses include all of the overhead costs for ISOC, including (in general order of magnitude) finance and administrative costs, executive costs, office rent and related expenses, depreciation, executive and corporate travel/meetings, board governance costs, legal and accounting, and other smaller expenses.



The chart above reflects a comparison of G&A costs to projected 2009 costs, by budget category. General and Administrative costs are budgeted to exceed 2009 G&A by approximately $320,000, or 10%. The largest contributors to this increase are depreciation ($140,000 largely due to the AMS system and capitalized IETF tools), a decline in the US dollar (affecting Geneva office costs and G&A salaries), a full year of Geneva office rent ($46,000), and corporate travel costs associated with the expanded staff and board participation.

G&A expenses are allocated to the Departments (see above) based on the personnel budgets of each functional area. A fixed amount ($110,000) is allocated to the IETF.

Capital Expenditures

The 2010 Capital Budget is dominated by the proposed IETF Tools Development project ($575,000) and the AMS related Engagement System Development ($285,000), both of which are discussed separately in other Board Package materials.

2010 Capital Budget		
Network Equipment and Servers	$	23,000
AMS System Engagement System Development		285,000
IETF Tools Development		575,000
Communications (Website, Video)		82,700
Total Capital	$	965,700

Personnel

In 2009, ISOC added 13 FTEs (Full Time Equivalent personnel). These staff additions, spaced out over the year, included supporting individuals in nearly every operational department (Public Policy, Education/Development, Chapters, Trust & Identity, Org Membership, Communications, and IT). Six of these new staff members are based in our Geneva office, three in our Reston office, and the remaining four are located elsewhere.

In 2010, the budget includes the addition of only two net (2) FTEs during the year as we focus on specific needs of the organization. These are:

A European Bureau Director to be based in Brussels.

A Director of Communications to focus on strategic communications programs.

In addition, the following personnel moves are anticipated in the 2010 budget without causing a year-over-year addition to ISOC FTE count:

A Director of Business Development will be hired, to focus on grants and fundraising (this function was included in the 2009 budget, but fulfilled by consultants in the development of ISOC's grant and giving programs).

A Vice President of Public Policy will be hired in the second quarter to replace the current Director who has moved to start up the European Regional Bureau.

A Communications Coordinator may be added in the third quarter to provide content and direction for the new website (temporarily offset in 2010 by a six-month family leave of absence by a current staff member).

An Outreach Manager for the Standards & Technology Group may be added later in the year as funding is available.

IASA/IETF

The IAOC has presented a budget proposal that is included in this ISOC budget. The IETF/IASA budget proposal is based on several key assumptions:

2010 meeting attendance will remain at recent historical levels.

Registration fees will be held at the same levels as used in 2008 and 2009.

Meeting costs will increase slightly due to the venues for 2010.

RFC Editor costs will increase from 2009 actuals, with the restructuring of the editor function.

ISOC's contribution toward ongoing activities would increase $108K from the 2009 budget and $219K from 2009 forecast (the IAOC forecasts a favorable variance in 2009 due to lower meeting costs and administrative costs).

Internet Society
IASA/IETF Summary Budget
Summary - 2010 Budget ($000's)

	2009			2010	
	Budget	Forecast	Greater Than (Less Than) 2009 Budget	Budget	Greater Than (Less Than) 2009 Frcst
IASA/IETF Summary					
Meeting Registration Fees and Other	$ 2,637	$ 2,271	$ (366)	$ 2,154	$ (117)
ISOC/IETF Sponsorships	870	948	78	910	(38)
New IETF Support Initiatives	115	10	(105)	70	60
Expenses (Excluding Capitalized Expenditures)	(5,076)	(4,572)	(504)	(4,696)	124
Contribution to Ongoing Activities	(1,454)	(1,343)	111	(1,562)	219
Capital Expenditures	(260)	(60)	200	(575)	515
ISOC's Contribution to IETF (incl Capital Exp)	$ (1,714)	$ (1,403)	$ 311	$ (2,137)	$ 734

Note: the 2009 budget included plans for Large Interim Meetings. Absence of these meetings reduced both Meeting Registration Fees and related meeting Expenses for 2009.

Cash Reserves Review

ISOC's policy calls for maintaining a cash reserve equal to six months' operating costs, plus the cost of meeting guarantees for two additional IETF meetings. During 2009, and based on 2009 expenditures, ISOC has maintained a cash reserve in excess of the targeted 2009 reserve of $6.2 million.

Based on the 2010 expenditure levels, the cash reserves are projected to increase to $8.2 million, representing a 7-month operating reserve. Since this measure has not been updated recently, ISOC will review its cash reserve policies in the first half of 2010 and make recommendations to the Board based on best practices and ISOC's particular financial outlook.

Public Support Test Review

As a *public charity* under Internal Revenue Code 501(c)(3), ISOC is measured against a test to ensure broad public support and a charitable contribution to a broad spectrum. One test used by the US Internal Revenue Service is that ISOC receives at least one-third of its support from a wide range of organizations, individuals, or governments. If ISOC fails the "33.33% test", the

Code allows for a "10% plus facts and circumstances" test. This secondary test allows an organization receiving at least 10% of its financial support in the form of qualified public support to submit documentation to show how its programs benefit a wide spectrum of the public, has a widely representative governing body, and is pursuing actions to attract new and broader public support.

For purposes of the public support test, the contribution from a single donor in excess of 2% of our total donations is considered "unfavorable support." Therefore, PIR's contribution to ISOC is largely excluded from the two tests. As anticipated, the increase in the rate of PIR's contribution over the past several years in excess of the increase in other funding sources caused ISOC to fall below the 33.33% test with the filing of ISOC's 2007 tax return. ISOC's 2008 tax return (filed recently) reflects a Public Support factor of 17.6%. Consequently ISOC has filed a "facts and circumstances" plan with the Internal Revenue Service.

ISOC management continuously monitors funding trends, and forecasts the public support test for future years. Current forecasts, based on this business plan and conservative future year assumptions show that the percentage calculation will fall further, but stabilize near 15% and begin to rise beginning in about 2014. This forecast is based on our expectations that PIR's growth is slowing, and our efforts to enhance other public funding sources will help reverse the trend.

If ISOC cannot meet the 10% test for two years in a row, ISOC does not lose its tax-exempt status. Instead, it becomes a different type of charitable organization, a *private foundation*, with less beneficial tax treatment. Although this will have little financial impact on ISOC, PIR would also need to apply for status as a private foundation. A more complete review of the implications will be undertaken with both PIR and ISOC and presented to the Board in the first quarter of 2010.

2011 – 2012 Forecast

The 2011 – 2012 Forecast is intended to provide a strategic view of ISOC's financial condition over the full three-year time horizon of the Business Plan.

Most notably, the extended forecast encompasses PIR's recent three-year forecast, which anticipates contributions to ISOC will level off at $18 million after 2011. The impact of that assumption will be no growth (above a 4% inflationary assumption). To fund any growth in ISOC's programs and outreach, an aggressive growth in revenues from other sources will need to be pursued. These sources will need to double each year over the forecast period to provide modest growth in such program areas as Enabling Access and Future Internet Leaders.

Several assumptions used in creating the 2010 Budget are applied to our 3-year financial forecast:

ISOC will continue to support IETF operational and capital needs at the current level throughout the forecast period;

IETF meetings will continue to be fully sponsored, no registration fee increases are planned, and alternative revenue sources in support of the IETF will grow moderately;

ISOC's funding from other sources will increase over the period, including growth in sponsorships and grants (endowment funding would further increase this support and is not included in the forecast);

ISOC will double its funding of additional Standards Development activities from $500,000 in 2010 to $1 million in 2011 and beyond.

ISOC will add only modestly to its 2010 level of expenditures on current activities. In 2012 and 2013, expenditures beyond a 4% year-over-year increase will require additional sources of funding not currently in the forecast.

Internet Society
Statement of Activities and Change in Net Assets
Summary - 2010-2012 Forecast ($000's)

	2010		2011	2012
	Budget	Greater Than (Less Than) 2009 Frcst	Forecast	Forecast
Revenues (including IETF)				
Organization Membership/Platinum Sponsorships	$ 1,300	$ 160	$ 1,400	$ 1,500
Individual Member Dues & Donations	15	5	16	18
Symposium Registrations and Sponsorships	138	54	194	201
Sponsorships and Grants (excluding IETF)	495	340	850	1,700
IETF Meeting Reg, ISOC Sponsorships, Other Revenues	3,134	(95)	3,243	3,274
PIR Contribution to ISOC	17,000	3,000	18,000	18,000
Total Revenues (including IETF)	22,082	3,464	23,703	24,693
ISOC Department and Program Expenses (exl IETF)				
Departmental Expenses	15,126	2,681	15,832	16,505
External Program Expenses	1,592	(58)	1,806	2,128
Total ISOC Expenses (excl IETF)	16,718	2,624	17,637	18,633
IASA/IETF Expenses (excluding Capital)	4,696	124	4,893	4,879
Other Contributions - Standards Development Orgs	500	500	1,000	1,000
Total Expenses	21,914	3,248	23,530	24,512
Net Operating Surplus (Deficit)	168	217	172	181
Interest/Other	210	20	220	220
ISOC Surplus (Loss) or Change in Net Assets	**$ 378**	**$ 237**	**$ 392**	**$ 401**
Change in Net Assets				
Unrestricted Net Assets, Beginning of Period	$ 9,062	$ 141	$ 9,440	$ 9,832
Unrestricted Net Assets, End of Period	$ 9,440	$ 378	$ 9,832	$ 10,233

2010 – 2012 Business Plan

VI. Appendices

Appendix A: Global Engagement and Local Roots
Appendix B: Strategic Initiatives Chart
Appendix C: Scenario Planning Overview
Appendix D: Chapter Profile
Appendix E: 2010-2012 Full Statement of Operations
Appendix F: Organization Chart

APPENDIX A:

Global Engagement and Local Roots

2010-2012 Business Plan

Global Engagement and Local Roots

As mentioned in the Executive Summary, a number of high level shifts in emphasis are reflected in the Business Plan and proposed 2010 Budget. The first three (Outreach and Advocacy, Fundraising, and Internet Standards Activities) are all covered elsewhere. The fourth – Global Engagement and Local Roots is expounded upon here.

Executive Summary

A long held goal of ISOC has been to be able to impact developments (at both technical and policy levels) globally while affecting policy and deployment practices, etc. at a national level.

A key factor in our ability to do this will be to create stronger presence and local visibility through working with our chapters, members and an increasing number of partners. We have made significant progress in 2009 and continue to gain momentum. The momentum has been reinforced by the positive results from our regional INETs and other efforts, and will be a continued area of emphasis in 2010. In early 2009 ISOC re-organized our Regional Bureaus under the leadership of the COO. The results of moving the Bureaus from a functional home (PubPol) to a trans-departmental position has created opportunities for new partners, deeper local engagement, greater Chapter support and awareness, and more opportunities for the Internet Society to present its mission and principles. The next 12 to 24 months will be an important period to solidify this momentum and build upon the foundation in a reasonable and measured approach.

Mission

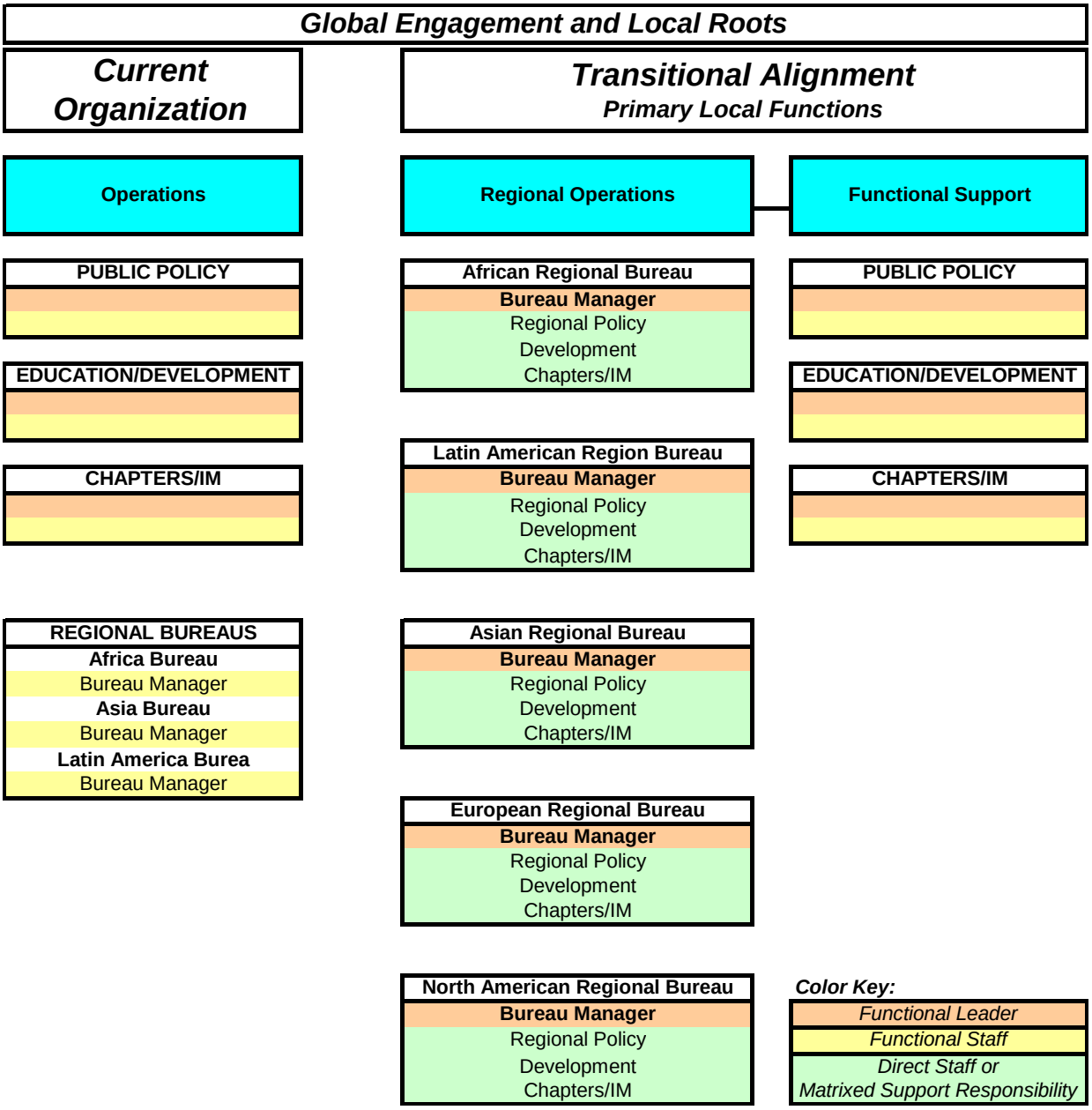
Over the coming quarters, we will organize and align ISOC's functions and departments based around geographical areas of emphasis; specifically Europe, Asia, Africa, North America and Latin America. By aligning our functions and delivery mechanisms within the regions, ISOC will be better prepared to contribute and support local issues and opportunities, while in turn creating a more efficient two-way flow of dialogue and feedback. Our local partners will get higher visibility, our local Chapters will receive closer collaboration, and our organizational members will receive a higher quality of discourse and interaction. The Internet Society as a whole will have an enhanced proximity to local policy, regulatory, access, and technology issues and opportunities.

These benefits can only be realized by aligning ISOC's focus as a whole while restructuring certain functional departments concretely within a regional framework. As a result of our internal re-alignment, we will achieve a much richer engagement with the local Internet community and a demonstrable improvement in the adoption and implementation of ISOC's mission and message.

Execution

We have mapped out the framework for our alignment within this regional framework in a phased approached involving alignment, goal assignment, and regional accountability. Our initial phase will align the personnel within our operational departments, in some cases to have dual responsibility for both functional operations (public policy, development, chapters) and support specific Regional Bureaus as those Bureaus take an increasing leadership role.

While preliminary, the graphic below reflects an outline of the kind of alignment/assignment on which we will focus as we move into 2010.



In 2010, ISOC will move to fill two important areas of representation in its Regional Bureau organization. As a part of our 2010 activities ISOC will establish an effective Bureau in Europe with responsibility for Europe and Central and Eastern Europe. With over 20 Chapters, significant governmental bodies, and a significant number of ISOC Organisational Members, and critical real-time policy implications (e.g. Hadopi), Europe is a region that would be well served with more support, and leadership on a day-to-day basis. Greater local engagement and

consistent communications with the EU-Brussels, national governments, key partners, and Chapters, will demonstrably aid ISOC in its mission in this important region. Additionally, a Bureau can help in securing new European partners, opening new Chapters, for example in Eastern Europe/Russia, and identifying key events and venues to enhance ISOC's local presence.

Additionally, in 2010 ISOC will open a Bureau in North America with responsibility for USA, Canada. Both regional areas are rich in policy activity, flush with active and committed Chapters, and contain key partners and organizational members. There is a tremendous amount ISOC can gain by creating a supportive and collaborative infrastructure in these areas.

Bureau Responsibility

Assign more departmental responsibility to Bureaus in a reasonable and measured manner. In 2010 Chapter objectives and policy programs would be prioritized and presented vis-à-vis mutual objective setting and co-ownership written into individual's goals. The Bureau leaders will be accountable for the local execution and effective management of certain Chapter programs, such as new Chapter vetting, Chapter Membership programs, etc. thereby manifestly raising the probability of success of said programs and providing ISOC with on-the-ground feedback. In the case of Policy, the Bureau leaders would prioritize and present the mutually agreed policy tracks in close collaboration with the ISOC Executive Team. A third area of increased accountability would be the support of existing partners and identification of new local partners.

Align more tightly the communication and involvement of ISOC initiatives and other relevant programs. Given we do not plan to significantly increase headcount in 2010 it will be critical to identify, discuss, align, and confirm certain 2010 regional "deliverables" related to ISOC's initiatives (T&I, S&T, and EA), and where it makes sense SGE. This is a key aspect of the 2010 planning process.

Public Policy

Restructure Public Policy into an effective and highly responsive staff-unit in order to create, in association with the Executive Team, policy positions and other content which helps frame our overall engagement (inclusive of initiatives and development) and create a single perspective; to be delivered and presented by the Bureau leaders. By centering the debate and policy analysis squarely with the Executive Team we would look to drive a higher level of regional activity from multiple objectives and touch points. This is also expected to expand the Executive Team with the addition of a senior Policy manager.

Over 2010 we will begin transitioning the centralized Chapter activities and staff to a functional set of responsibilities while, orienting Chapter personnel toward regional focus in order to build and leverage local knowledge under the local guidance of the Bureau leader. Global Chapter development and leadership programs will remain a functional (central and strategic) responsibility under the responsibility of Chapter staff, while, increased accountability and operational responsibility with respect to the programs will be co-owned and ultimately transferred by the Regional Bureau leader.

Increase Regional headcount following a review and sensible phased-in approach (over several years). As a result of dispersing additional programmatic and departmental responsibility toward

the regional community there is no doubt that there will be increased resource requirements at the local level.

Identify regionally based communication entities that can drive ISOC messages beyond the reach of our local efforts. Given the linguistic and cultural uniqueness of each region it will be critical to identify and engage reputable and effective PR teams, and take full advantage of key social media in order to help push ISOC's messages more deeply into the local community.

Summary

The Internet Society is building a solid reputation in places where it has not previously been known. As we take the next step in our re-organization through strengthened Bureau presence and responsibility ISOC can expect to further leverage the good work that has been completed to date.

APPENDIX B:

Strategic Initiatives Chart

2010-2012 Business Plan

	Trust and Identity – Champion: Lucy Lynch
Summary	Seeks to ensure that Trust becomes a primary design element at every level of the Internet architecture and that end users have the tools to effectively mange online identity and leverage trust enabling technologies.
Key Activities / Programs	Identity – Managing Trust Relationships: Collaborate with our technical and policy partners to advance User Managed Identity solutions. Educate users about their rights and responsibilities in relation to identity management. Work with ISOC IT staff to deploy a federated identity solution as part of our membership engagement plan. (May be deferred into 2011.) Architecture and Trust: Development of a "Taxonomy of Trust" which inventories current trust-enabling work in the IETF. Direct engagement with the IETF. Engagement with researchers, Internet Ecosystem stakeholders, chapters, and ISOC members.
Supporting Activities / Dependencies	A technical effort promoting the development of shared solutions for Inter-federation will be coordinated with InCommon and Terena/ReFeds. Publication of a series of use cased based study guides on Identity management topics as well as the release of several educational browser plug-ins. Set ISOC up as a (beta) Identity Provider for our membership and work closely with external developers (CoManage). (May be deferred into 2011.) To be integrated with the broader InterNetWorks framework. Includes support for participation of researchers and practitioners in relevant IETF working groups. Activities like panels, roundtables, and white papers addressing the likely next steps in the development of trustworthy networks.
Goals and Expected Outcomes	Developers think in terms of trust, interaction, and sustaining global reach (end-to-end) when designing the next generation of reliance technologies and standards. User education regarding identity management is considered essential to achieving trust in the internet. End users understand the options for identity management and demand appropriate tools and services to support the full range of use cases. ISOC continues to support the open, transparent, bottom up nature of Internet development and is an active partner in the standards process as the Internet Model expands. Public policy discussions recognize Internet Model stakeholders as experts on Trust and Identity, with ISOC leading the discussion on reliance issues including: regulation, compliance, data portability, ownership, and privacy. There is a clear distinction between a trusted network and network security.
Other Notable Data Points	2010 Objectives are focused in two major areas: shifting the focus of public discussion from cyber-security to trust in key forums and ensuring that T&I technologies are global in scope despite regional differences in public perception, policy, and regulation. Align with Network Confidence objectives.

	Enabling Access – Champion: Jon McNerney
Summary	Aims to catalyze Internet growth and development in emerging markets, demonstrably advancing ISOC's vision of a globally ubiquitous Internet, and embedding fundamental Internet values, concepts, and approaches in developing markets as they grow in importance as contributors to the global network.
Key Activities / Programs	*Technical Capacity Building* - Advancing the internetworking skills necessary to grow strong infrastructures, reduce costs, and enhance Internet performance. *Promoting Access-Enabling Policy and Regulatory Environments* – Fostering Internet-friendly policy/reg environments by providing decision makers with knowledge, assistance, and guidance on key Internet access accelerators. *Communities of Practice and Multistakeholder Participation* – Catalysing collaborative technical cooperation and promoting open and transparent multistakeholder input in policy/reg decision making.
Supporting Activities / Dependencies	Collaboration with Global Strategic Engagement on the ITU World Telecom Development Conference (May 2010). Coordination with Regional Bureaus on projects execution and to strengthen tie-ins with Chapters. Work with the S&T Department to advance cross-leveraging opportunities between EA and InterNetWorks in emerging markets. Work with Comms to advance awareness of ISOC's impacts in Internet development.
Goals and Expected Outcomes	Strengthen ISOC's position as trusted, visible "go to" organization for Internet development in emerging markets, including with international organisations/development agencies. Embed African presence through advancing IXP, technical capacity localization, regional interconnection forum, & policy projects. Advance LAC presence with policy and technical outreach on regional and international interconnection, localizing technical capacity workshops, and catalyzing opportunity forums in LATM and the Caribbean. Seeding country-specific development project activities in Asia.
Other Notable Data Points	A key 2010 focus is to advance grants and sponsorships for initiative activities. Work to draw focus on ISOC "community grants" projects as localized ISOC development activities.

	InterNetWorks – Champion: Leslie Daigle
Summary	This Initiative focuses on the continued operation of the global Internet, identifying broad issues and opportunities in Internet global deployment, and the collaborative model of Internet evolution.
Key Activities / Programs	Common and Open Internet – ensuring the Internet remains openly accessible end to end. Global Addressing – working to ensure IPv4 scarcity and IPv6 deployment don't lead to a fractured Internet. Security & Stability – promoting the deployment and development of security building blocks for Internet infrastructure. AlterNetives – identifying impacts of new network types on the global Internet; working to ensure IP-friendly development.
Supporting Activities / Dependencies	Encompasses much of our standards & technology work, as well as public policy. Important touch points with Trust and Identity, particularly in terms of infrastructure security. Works with Regional Bureaus to help deliver local messages.
Goals and Expected Outcomes	Accelerate IPv6 deployment, broadening our communities of influence (business communities). Increase global & local support for Common and Open Internet as the right model by developing a coherent policy framework kit. Increase awareness and application of infrastructure best practices – from security to bandwidth management.

APPENDIX C:

Scenario Planning Overview

2010-2012 Business Plan

Internet Futures Scenarios

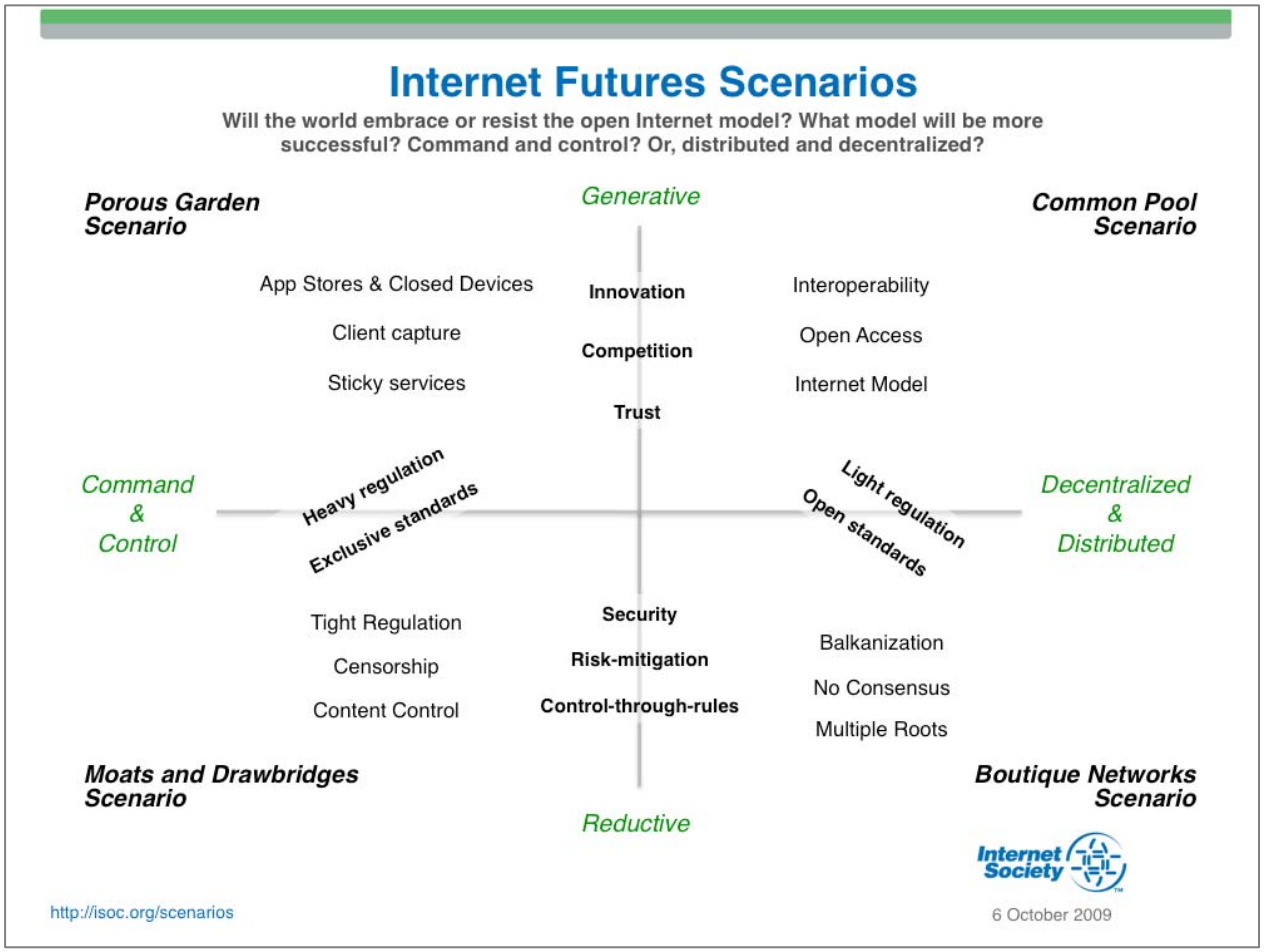
6 October 2009

Introduction

Recently, senior staff at the Internet Society engaged in a scenario planning exercise to reveal *plausible* courses of events that could impact the health of the Internet in the future. The results of the exercise were subsequently reviewed with the Internet Society Board of Trustees. While obviously not intended to be a definitive overview of the landscape or all potential issues, we believe the results are interesting and, we hope, thought-provoking.

We are sharing them in the hope that they will inspire thought about possibilities for the future development of the Internet, and involvement in helping to make that happen in the best possible way.

Scenario planning is a methodology used widely in business and increasingly in other sectors to allow organizations to anticipate how the future could turn out. It is particularly useful in an environment of great uncertainty. Scenario planning is neither guesswork nor statistical analysis. It is a structured process to help organizations break free from ties to "the official future" to consider other possibilities that they may confront. The stories that result from this process are intended to reveal plausible courses of events, not probable ones. While they are imaginative, they are intended to make the organization aware of possibilities that could have an impact. The organization then uses the stories as a springboard to help identify robust courses of action that will position it well for any of the possible futures.



Scenarios always start from a question about the future. In this case, the focal question for the exercise was: "Will the world embrace or resist the open Internet model?" with a second-level question to narrow the field: "What model will be more successful? Command and control? Or, distributed and decentralized?

These two questions defined four quadrants, which led to four very different stories about how the world might develop over the next eight to ten years. Each of the stories are below, along with factors that could drive towards these scenarios being realized, and factors that could work against the Internet from moving in that direction.[1]

All of these stories contain some element of the Internet that exists today, as you would expect. And the Internet of tomorrow will almost certainly not look exactly like any of the stories. But you will see that each of the four scenario stories presents a different and plausible direction that the Internet might evolve towards. We believe that the Internet of 2015 will contain some of the characteristics of all four stories.

[1] Also online at: http://www.isoc.org/scenarios

Common Pool Scenario

> "There is nothing new to be discovered in physics now. All that remains is more and more precise measurement."
>
> Lord William Kelvin, 1900

Quadrant

The Common Pool quadrant is about positive “generative” and “distributed & decentralized” properties. Opportunity and growth abound (generative) and there are no insurmountable barriers to entry for those wishing to take part (decentralized and distributed). Disputes and challenges are resolved through competition, as opposed to negotiation or inherited rights. This quadrant is about constant evolution, and it features a healthy ecosystem. That ecosystem – the interlinked network operators, developers, infrastructure providers, resource management organizations, etc. – is the key to the generative nature of this quadrant. Organization and operation tends to be “horizontal”, not “vertical”, so that the underlying building blocks (technologies, networks, etc.) are available to all to build upon. The “win” for the Internet is that it retains the ability to react and respond to new requirements.

Factors driving towards this scenario

Driving forces that lead the Internet into this quadrant are competition and desire to leverage the benefits of economies of scale (in open development and interoperable systems). Players feel in control of their own destiny because they have the ability to rebuild their future if need be (evolve, innovate).

Factors attracting away from this scenario

Forces that pull the future of the Internet away from this quadrant include concerns about loss of control of one’s destiny (national, commercial, personal) and attempts to preserve individuals (rather than the population).

Narrative

In the beginning there were many networks, and they worked to hook up together so that diverse endpoints could connect, pass traffic, coordinate, share data. The network was more than the sum of its parts - it included the results of efforts by the operators who thought making connections (physical, software, or communication) in the middle of the night was fun in its own right. It's not that they were altruistic, so much as they were playing, and the opportunity for New and Exciting abounded. Management could go ahead and make whatever decisions they wanted, but Root ruled the roost. When one operator got lazy and wrote a script to search anonymous FTP archives for files of interest, others caught wind of it and asked for the data, and scripts—the Internet's first search engine, and one of its first commercial activities, was born. When another technical person, across the ocean, needed to find a way to allow researchers to publish and share research activities, a method of linking remote files was created—the result was a pragmatic solution to a common problem. All of these people found common cause in the Internet Engineering Task Force (IETF) —a rough and ready group of engineers tinkering with the running code of the Internet.

By 2009, the proportion of technical people "playing" with the Internet was dwarfed by people building networks for Serious Business. "Where," they asked, "is The Plan?"

Perceiving none, by 2012 they brushed aside these amateur efforts, claiming Methodology was more important. They flocked to more conventional business meetings, and built roadmaps and technologies by pushing blocks and lines around PowerPoint diagrams. "Network architecture can be expressed in bubble diagrams!" they cried, "so if we edit the bubbles, we're adjusting network architecture," they concluded. They lobbied governments, near and far - "it's in the best interests of your citizens; we'll organize it all."

When concerns were raised about the possibility of locking out new entrants and opportunities for innovation, they were brushed off by Industry Experts, "There is nothing new to be developed in the Internet now. All that remains is more and more precise service implementation."

Over the course of the next three years, all eyes were focused on the major incumbents, who were demonstrating their prowess by developing multi-tiered deployment plans for the Future Network, resolving known issues through hard-fought negotiations between powerful industry players.

And: nothing happened.

Incumbents deployed the bubble-diagrammed technologies to great fanfare and little effect. Notably, each network's implementation varied just-ever-so-slightly from their competitors', so interoperation failed at all but the most basic (existing) levels.

In the meantime, the plain folks, who'd been too busy working out the algebras of trust transitivity and the core scaling issues of existing network technologies to attend these multi-week suit-sessions, had scaled new heights of finessing technology and developed ugly-but-functional approaches to critical problems with the Internet. Created by open, collaborative process, and published in freely-accessible documents, new entrants to the Internet (networking and applications/services) seized these tools to build the Next Big Thing. It wasn't pretty; it didn't flash; it wasn't intellectually or aesthetically impressive. It just worked. And solved an existing problem. So the new entrants handed the incumbents their lunch (again). Cognoscenti hid out in their basements, firing up creaky VHS players to listen to David Lynch's sage giant from "Twin Peaks" - "It is happening... again."

There was much upheaval, wailing and gnashing of teeth, appeal to governments for redress (or at least a bailout), some failed, some adjusted, and many applied the newest economic fad, acquiring the customers and assets of the new entrants through corporate "leveraged lease-to-buy" options.

Meanwhile, as the network and service operators thrashed each other in pursuit of larger market share, network users reveled in the new opportunities afforded them by innovations from all corners of the globe. Retirees took language courses by video connection with independent teachers in other parts of the globe. The established music industry was left in the dust as independent artists networked to promote their collective music activities.

There still was no master plan and were no guarantees. In the end, the power of global evolution, favouring the success of the population over the preservation of the individual,

prevailed. Constant innovation is here to stay. Trying to fix things in place is like trying to fix a peg in an ice dam: it might appear to be fixed, but constant incremental shifts are always driving (powerfully) in a new direction. Ride that wave, or be left out in the cold.

Boutique Networks Scenario

> ""In the strictest sense of the word, boutiques would be one-of-a-kind but more generally speaking, some chains can be referred to as boutiques if they specialize in particularly stylish offerings...
>
> ...Although some boutiques specialize in hand-made items and other truly one-of-a-kind items, others simply produce t-shirts, stickers, and other fashion accessories in artificially small runs and sell them at unusually high prices."
>
> Source: http://en.wikipedia.org/wiki/Boutiques

Quadrant

Based on a reductive but de-centralized model, the Boutique Networks scenario envisions a future in which political, regional, and large enterprise interests fail to optimize on the social and economic potential of a shared, global set of richly connected networks (the Internet). It carries the weight of self-interest brought by factions seeking to optimize control in small sectors (political and otherwise). It also posits that these fractionalized networks will continue to leverage the benefits of existing Internet standards and technology. This is in some ways the classic "tragedy of the commons". Each of the proprietary providers extracts as much as possible from the common pool while giving little back.

Factors driving towards this scenario

Major drivers may include politics, special interests or requirements, and risk mitigation (local determination vs. fate sharing). In some cases these networks may be developmental/experimental in nature and will naturally drift back towards interconnection, but in some cases–particularly when regional politics are involved–the networks may harden into more classically balkanized forms.

Factors attracting away from this scenario

How can we encourage re-connections among the boutique networks and the Internet? Although this scenario explores the drivers that would cause networks to begin to separate themselves into smaller stand-alone segments, it also assumes that those networks will be based on existing standards and hardware. As the individual networks continue to advance, they can be encouraged to return to the broader Internet in order to widen their development options and to achieve the economies of scale offered by commodity hardware and open standards. Stand-alone networks may also find value in interconnection in order to access additional content, reach new audiences, and operate services (such as global emergency services) that require global co-operation.

Narrative

By the end of 2009 it becomes clear to most Internet technology insiders that global deployment of IPv6 is a failure. The individual Regional Internet Registries (RIRs) have become caught up in regional concerns about how to manage the run out of IPv4 addresses. While each has a set of well thought out policies concerning IPv4 depletion and

IPv6 deployment, the lack of global coordination has lead to increased fractionalization. The so-called tier-one Internet Service Providers begin to micro-manage their existing IPv4 allocations in order to conserve resources and maintain control of their downstream customers. Service provisioning becomes more and more about connecting nested NAT deployments through small, static IPv4 "gateway" assignments. This creates increasingly insular regional and enterprise "intranets" with limited options for global transit. For many users this is a sub-optimal experience.

Businesses find that they must establish their own network nodes and agreed upon connections to get business done. Enterprises that must inter-operate via gateways begin to deploy middleware solutions (identity management, authorizations, proofing, transaction accounting, etc.) to track and manage access to and among their intranets. This breaks end-to-end and large sections of network content become guarded/controlled. In 2012 major search engines begin to refocus their businesses as less and less interesting material is available to probe and index. Search becomes localized and content providers work to establish "prepaid" micro-payment systems for both specialized search services and content display.

End user experience varies greatly and most "services" come at a cost. Users may pay multiple charges for "advanced services" packages. Users in some countries only see what government wants them to see. Services can be tailored with limited reachability and clear traceability to "owner accounts" which can be held accountable for access and incremental payment schemes based on usage are common. There are also limited markets for some content due to division of interest and service. Content provision often falls to the cable model (multiple packages, specialized channels, "child safe" service offerings, for pay content, higher charges for specialized topics, etc.).

Some countries move aggressively in creating their internal IPv6 only networks and in 2011 several opt out of the ICANN blessed DNS root infrastructure altogether and set up their own local roots for their IPv6 networks. New vendors now shop their own cheap networking equipment in emerging markets and configure and market based on regional requirements. Equipment, documentation, and training all come pre-provisioned with alt.root examples, as needed.

Other governments follow the IPv6 early adopters' example and effectively take their countries "off net". Some pursue their own schemes for addressing. These networks overlap existing address allocations in the "old" Internet and cause major problems when they occasionally leak to the remains of the global Internet.

The institutions that govern unique addresses are unable to counteract all of these challenges. By 2012 there is no single bottom up policy environment for governments to interact with enterprise. The ITU steps forward with their next generation model which includes a vision of multiple internets: things, services, etc. and step into leadership as the standard for interoperability among the multiple types of "internets". They offer to manage different roots for digital Identity, RFID, etc. and offer guidance to governments in setting up and running their own roots.

The "old Internet" continues to exist, but by 2015 the existing IP standards are no longer being actively developed and are not working well with the new environments. The

problems caused by spill over from poorly managed boutique networks also undermine the value of global interconnection. IP is now a utility. The funding model no longer supports innovation and major investment comes from governments looking to coordinate cross-border emergency services (the internet of things). This brings heavy regulation and classic treaty like agreements. Governments assert ownership of "critical resources" within their own borders and regulate peering agreements.

In 2017 the Internet Engineering Task Force (IETF) disbands and the IETF Trust assets are signed over to a hobbyist organization originally founded by HAM radio users. Users who remember the old days start to trade classic software and run their own FIDO net nodes...

Moats and Drawbridges Scenario

Quadrant

This quadrant is in the space characterized by command-and-control and reductive[2] orientations. In this quadrant, the world of the Internet would be heavily centralized, dominated by a small number of big players who create their own rules in a few “big-boys’ clubs.” Conflicts are resolved through negotiation, not through competition. Connections between networks would be the result of extensive negotiation and deal making as well. There would likely be strong regulation as governments seek to impose some public interest obligations on the industry. There might even be controls on what equipment users can connect to the network. A great deal of content would be proprietary and protected by strong intellectual property rights. Governments would be able to control the behaviour of networks and network users through legal mechanisms and sanctions. There would be high barriers to entry. There would not be much incentive to expand the reach of networks beyond the largest and most wealthy customers or regions. Innovation would be slow and only happen when it would benefit the network owners. There could be close political links among all players to their mutual benefit.

Factors driving towards this scenario

The chief driver in this quadrant is the big players’ and governments’ desire to maintain control of their own destiny and their national interests in a threatening world. In the economic realm, the big firms’ actions are self-interested and predicated on the idea that there are limited benefits to be shared. Business models are based on maximizing current benefits. In the political realm, too, the status quo is preferred over change. Power is maintained by supporting the big business players, building alliances with organized labour in the political realm, and using legislative and regulatory instruments to impede change. An element of fear is also a driver – a fear that if the Internet is not tightly controlled, Bad Things will happen; for example, in the realm of cybersecurity, child protection, political agitation, etc.

Factors attracting away from this scenario

What forces would work to keep the Internet from being sucked into this quadrant, where communications networks have been before, or to entice developments in a direction we’d like better? A market-friendly regulatory environment would make it hard to consolidate into

[2] characterized by or causing diminution or curtailment

huge corporations capable of exerting control. Stressing the dangers of large centralist solutions to problems (security, child protection) and favouring the thoughtful use of targeted instruments where necessary. Continually reinforcing the role of the open model in promoting innovation, development, and reach of networks. Promoting the Internet model of open networks. Encouraging development of new mechanisms that will reward creators and holders of intellectual property without imposing regulatory restrictions on distribution.

Narrative

In 2009, the new Obama administration took power in Washington. Despite predictions that it would be Internet-aware, and support open development models, by the end of its first year it was obvious that the new appointees were not going to advance Internet-related policies founded on the principles of nondiscrimination and transparency. This gave rise to a series of reversals for network neutrality advocates. The resulting FCC regulatory framework allowed network operators to implement traffic shaping. The third new economic stimulus package introduced late in the year created incentives for existing network operators to rapidly expand broadband access to every home by allowing new pricing models for Internet services and content, which brought to an end the “all you can eat” model, and then resulted in a series of alliances and major takeovers of content providers. Giggle-i-Zon and MyPipe¡Yipee! grew rapidly, but the Tinysoft-Bcast-TimeNDate alliance quickly moved into the lead position based on its unbreakable grasp on users’ eyeballs in the United States. Fear-mongering by an already defensive media alliance during the administration’s contentious but ultimately successful attempt to pass an omnibus cybersecurity, anti-spam, privacy, electronic decency and national identity card bill caused the expanding new generation of Internet users to rush into the new walled-garden environment where there may not be much to eat, but consumers would know it was clean.

The European Union feared that the new American megacorporations would flood their cultural market place with American junk content, and took steps to empower their incumbent network operators’ acquisition of European content providers. The intellectual property rights (IPR) lobby rejoiced when the European Court of Justice over-ruled the ability of the Constitutional Council of France to reject the draconian HADOPI.v3 law. By 2012, Europe had its own convergence champion, as all the major networks and content providers united under the banner of Allo!EU!, a huge e-shopping mall protected by a high fence of filtering technologies that eliminated access to all non-European content and anything not previously approved by the Union of National Academies of Good Intentions. Australia had taken an early lead in filtering technology, and the national broadband initiative made it easy for the new monopoly to impose an ever-widening ring of controls on Internet users. As the megacorporations expanded their control over all global networks, they naturally imposed their closed access models. Soon the global Internet was reduced to a set of feuding private conglomerates of convergence.

These rapid developments effectively ended long-standing disputes between western countries and the traditionally more-controlling and repressive states. The long-standing Internet governance debates finally drew to a conclusion in 2014, once it became feasible to control all conditions of access at the national level. The United Nations abandoned its goal of creating an Internet treaty as member states found other means of controlling the network and their citizens.

As significant was the emergence of multiple proprietary standards, each imposed by the megacorps on their fiefdoms. The traditional Internet organizations fought to remain viable, but their inability to require conformity with the standards developed by the IETF, W3C and other bodies dedicated to connecting users rather than entangling them collapsed when their one-time supporters joined or were gobbled up by the megacorps. The "Internet" devolved into a small specialized artifact, used only by academics, researchers, and the military who were relieved to have been unburdened from the weight of non-expert commercial users, and the bands of thieves and con-artists attracted by them.

But by 2015, the megacorps recognized that newly developed real-time translation capabilities opened the possibility of cutting content production costs as material produced for one market could easily be marketed in another. Global alliances began to form, creating a need for interconnection standards. The ITU leapt at the chance to fill the need for a new global standards body, based on its long-standing assertion that it was the place where people talk about cybersecurity. Governments and their national megacorps were quick to agree. The Next Generation Network was finally realized, giving new meaning to the phrase "network of networks" in the post-convergence mega universe.

Porous Garden Scenario

Quadrant

This quadrant is characterised by command-and-control and generative[3] orientations. In this quadrant, networks would remain global but access to content and services would be tied to the use of specific networks and associated information appliances. Individual (business) viability would triumph over the economic potential of the common pool of the Internet. Financial incentives for content producers and software developers would result in continued innovation *within* the appliance-based model. Control over suitability of content, pricing, licensing and other concerns would be firmly in the hands of relatively few large commercial organisations. Proprietary, closed technologies would abound and exclusive deals with content producers and physical communications networks would result in consumers having to purchase multiple appliances and associated subscriptions to avail themselves of the full range of innovation on the network.

Factors driving towards this scenario

The overriding driver in this quadrant is the desire of both large commercial organisations and niche content providers to increase their margins and the profitability of their businesses. These organisations desire greater control over their commercial destiny. This applies to producers of both hardware and software products and to network operators. Other drivers include the desire to control access to content either to increase its value or to ensure the maintenance of centrally imposed standards. These standards may be intended to provide a more guaranteed user experience, to produce more reliable products, and to prevent the use of appliances for running applications or accessing content deemed undesirable by the manufacturer. Fear is a driver here too–fear of lack of profitability leading to business failure, and fear of the consequences (for brand, reliability, profits, control) of exposing platforms to the open Internet.

[3] Having the power of generating, propagating, originating, or producing.

Factors attracting away from this scenario

What forces would prevent this quadrant from coming to dominate the reality of the Internet? The desire of consumers not to be controlled or artificially restricted in their ability to use devices that they have purchased outright is a very strong force. Open alternatives to closed information appliance platforms also provide a check on the extent to which appliance vendors can exert and extend their control.

Narrative

In mid-2009 over 3000 applications were downloaded from the Acme Application Store every minute. The release of the Acme's updated smartphone in 2010 so increased their share of the Internet-enabled mobile device market that all other handset manufacturers raced to adopt their business practices. The mobile operators successfully transitioned their business models to replace voice and call termination revenues (regulated down to a minimum) with a combination of data tariffs and app-store payments garnered from subscribers eager to own the latest in a long line of shiny networked toys. Mobile operators that failed to secure exclusive partnerships with the most popular platforms withered.

The development community was quick to take notice as more and more individual developers or small teams became hugely wealthy as their $2 apps were downloaded by millions. Open source solutions increasingly lagged behind the features and functionality of the closed, yet (almost) freely available alternatives. Protocol development became the preserve of closed clubs of partisan developers only interested in better enabling their chosen platform to rise above the competition and thereby net their apps more download revenues.

The global and unprecedented havoc wrought by the Netficker.OMG virus in 2011 nicely complemented the already well established lobbying and publicity efforts of Nemesis Research and others which consistently portrayed the open Internet and open technology base that supported it as a threat to the stability and security of developed economies throughout the world. The backlash resulted in a huge increase in sales for the newly released Acme and Beta netpods–networked information appliances that were the first such platforms that came with guarantees of software quality and assumed liability for any personal damages arising from use of the appliance.

By 2015 choosing a platform for Internet access was almost as important as choosing a life partner. Subscribers quickly found that they had invested so much in third-party services and applications that changing to an alternative provider was unthinkable. Consumers were persuaded to trade almost all personal privacy for applications and services that offered unprecedented functionality and ease-of-use, and personal identity became embedded within their chosen appliance. Teenagers rebelled against their parents by switching information appliance platforms and adopting whatever was most different to the platform their parents had brought them up on.

As software development of third-party applications for information appliances became increasingly lucrative for developers and increasingly risky for vendors and operators as the scope of their liabilities widened, software development became highly regulated. Developers became licensed professionals, provided with the tools they needed by the information appliance vendors and offered free connectivity by the operators in return for

maintaining a veil of secrecy over the inner-workings of the platform they were developing for.

The largest 'tribes' of information appliance users and developers–the Betabots and the Acmecores–regularly engaged in baiting each other with the perceived supremacy of their respective platforms. This simmering animosity peaked after a scheduling snafu resulted in both Beta and Acme's main developer conferences being scheduled simultaneously in San Francisco. The streets ran with the caffeine-rich blood of coders bludgeoned to death with shiny, multi-function communication devices.

Ultimately the number of major networks dwindled to the point that any effort to optimise across anything broader than the subscriber base of a single network was abandoned. At that point the networks were floating in space, unconnected and unable to agree on ways to share access to each other's revenue streams. The business model remained highly profitable for platform vendors, operators and developers, although the inefficiencies of developing applications separately for each platform went un-costed. The true potential of an open innovation platform was never realised and individual freedom and the greater good of society was sacrificed in the face of irrepressible market greed and a fear of the alternatives.

Implications of Scenario Planning for ISOC's Role

1. Work to ensure the Internet ecosystem is healthy – appropriate structures in place and key technologies deployed, functioning well for the current needs of the Internet, and evolving to meet future needs.

This work is directly focused on addressing the threats outlined in the *Walls and Moats* scenario. *Boutique Networks:* ISOC will need to work with the Internet Organizations to ensure the Internet Community stands-up an "Internet Standards Interoperability Organization" to maximize interoperability across multiple internets.

2. Continue to educate and aggressively promote the value of interoperability –driving ability to innovate. Innovation is key not only for (economic) development, but also to ensure that the network continues to evolve to serve the needs of the global user base.

Walls and Moats: Press forward to separate national security issues from network security issues. ISOC will have to work with partners in IETF and elsewhere to seriously tackle security issues in a bottom-up, open standards way. Trust enhancing and identity management become key issues, and key weapons against the defense establishment.

Boutique Networks: Promote the global Internet to governments and regional policy makers as critical to both economic growth and stable, sustained social progress. To address this possible scenario, ISOC should continue to promote the value of the common and open Internet as an innovation platform, in all senses of "innovation".

Porous Garden: Here, ISOC should work to ensure that the requirements of these appliance networks are integrated into the Internet development processes, but taking care that they

do not hijack the agenda overall. That is, open standards are still key for core inter-networking, and appliance networks are not the only customers of the Internet. Here as well, ISOC should continue to promote the value of the common and open Internet as an innovation platform, in all senses of “innovation"

3. Promote openness of networking – access and interconnection. No single network, no matter how big, can meet all needs.

Walls and Moats: ISOC needs to promote a balanced approach to pro-network neutrality initiatives, recognizing there are sometimes valid reasons for network management measures. Stress should be laid on promoting a diversity of networks, but with full transparency for clients. This may be difficult, as it could lead to initial conflict with some current ISOC supporters and members. If resources permit, ISOC could collaborate in the discussion of new models for intellectual property protection.

Porous Garden: In the extreme case (should monopolistic appliance vendors start constraining network behavior to restrict it to that which is most profitable to them), ISOC would have to develop tactics and strategies to counter that, including alliances with pro-network neutrality coalition, but with appropriate balance.

4. Identify and support development of deployable solutions to existing problems: it doesn’t have to be beautiful; it has to work and be evolvable.

Boutique Networks: Advocate for the rapid deployment of IPv6 and encourage existing network operators to extend their reach into new markets rather than protecting their current “base”.

5. Ensure the Internet is not only for everyone, but that everyone has the ability to continue to connect and manage some piece of it.

Boutique Networks: Work with our partner organizations to ensure that regional concerns about Internet policy and deployment are addressed in a fair and open manner. As well, ISOC should support efforts to harmonize differences across interest groups and leverage our own global organization to promote the advantages of one global interoperable Internet.

6. Educate and inform development of other networks (e.g., mobile data networks, sensor nets) about the applicability of the Internet model in their reality, and/or in some future collected reality (when networks merge). This speaks to the need to focus on the Common Pool as the future of the Internet (model), not the future of the existing network.

Porous Garden: ISOC should work to ensure there is broad understanding that appliance networks are not the network – that there is still a common Internet to which more general devices can attach. Even today’s deployed appliances are recognizing and leveraging the global Internet. It is in everyone’s best interest to ensure that this model continues to be perceived as relevant. This may entail identifying and promoting success stories of businesses using the general Internet. At the same time – there is no way to stop purpose-

built appliances, and there shouldn't be a need to do so. The emphasis is on making sure that they represent just one class of Internet users, not the totality.

These messages need to be tailored and targeted to reach several audiences:

Policy makers – so that they are appropriately informed as they develop regionally appropriate policy.

Technology development decision makers – standards organizations as well as technology companies – so that they have the opportunity to engage and drive development appropriately (and not myopically).

Business communities – so that they know what to expect and demand of Internet evolution.

APPENDIX D:

Chapter Profile

2010-2012 Business Plan

Chapter Report

Key Chapter Activities or Highlights

Chapters are active in a diverse array of activities that support and extend the work of the Internet Society globally, through local action. Some examples of successful activities carried out by ISOC Chapters are below and include activities around encouraging IPv6 adoption and awareness, Internet Governance issues, trust and identity, Policy and regulation and accessibility to under-served communities and much more:

ISOC Morocco Chapter, 26 May 2009 – the 10th National Internet Day with the theme of "Governance of the Internet: challenges and stakes for Morocco.
- Details at: http://isoc.org/wp/chapter-events/?p=1#more-1

ISOC Ecuador Chapter, 17 May 2009 – celebrating Internet Day
- Details at: http://isoc.org/wp/chapter-events/?p=6#more-6

ISOC Hong Kong Chapter, October + November 2009
- InterChallenge 2009 – International Internet Challenge for youth
- IPv6 World Asia (23 Nov) and IPv6 training workshop (24-27 Nov)
- Details at: http://isoc.org/wp/newsletter/?p=1284

ISOC France Chapter - 28 September 2009 - La France du Futur sera numérique!
- Details at: http://isoc.org/wp/newsletter/?p=1291

ISOC France Chapter – 13 October 2009 dinner "who stole my identity"
- Details at: http://isoc.org/wp/newsletter/?p=1353

ISOC Australia Chapter conducted a workshop at PacINET 2009 on accessibility
- http://isoc.org/wp/newsletter/?p=1265

ISOC Australia Chapter – IPv6 summit, December 7-9 2009
- http://www.ipv6.org.au/summit/

ISOC Belgium Chapter - The Flemish Government (Parliament) invited the Chapter to participate in a consultation with Internet users on the effectiveness of Flemish Government Internet and ICT services for citizens.
- Details at: http://isoc.org/wp/newsletter/?p=1350

ISOC India Kolkata Chapter - One Web Day meeting on 22 Sept 2009 hosted by Calcutta Medical Research Institute (CMRI) at their premises in Alipore, in association with Internet Society (ISOC) Kolkata Chapter
- Details at: http://isoc.org/wp/newsletter/?p=1347

Many more examples of Chapter activities can be found in the "Internet Society 2008 Chapter Review" at http://www.isoc.org/isoc/reports/ar2008/ISOCAR08_chapter.pdf

Chapter Areas of Improvements

Sustaining a vital and dynamic Chapter long term is no easy task. It also takes significant time and energy and most Chapter leaders are volunteers. Just as ISOC works to highlight the importance of the multi-stakeholder model, ISOC chapters that have the highest chance of success are those that are built on partnerships with a broad base of active members (board or otherwise), partners and supporters.

Given the broad diversity of ISOC Chapters, there is no one solution. The work to identify as a group what "success" is for a Chapter and finding a policy framework to support that is an essential step. This will include work on to improve 'democratisation' and to broaden leadership from one to many. It also includes improving two-way conversations with Chapters and enhancing staff support to better understand the challenges and opportunities faced by Chapters.

Future Programs

With help and assistance from chapter leaders, future programmes are intended to focus on 4 main thematic areas:

"*sharing our success"* – to enhance the value and leverage the skills in the social network and chapter-to-chapter support with Chapter workshops alongside INETs, a coordinated and supported Chapter Membership recruitment campaign, Travel Fellowships, Membership Reinvigoration aka Event Funding and the continuation of Sphere project groups

"promoting leadership" – where the objective is to promote and foster the next generation of Internet leaders, as well as recognize excellence and reward significant contributions to ISOC's mission and to develop leadership skills in Chapters through programmes such as the Chapter Awards and Recognition Program, Chapter 'Toolkits' on Policy, IPv6 and membership management.

'Chapter Accreditation' – where the objective is to support Chapters in moving towards a more professional and legitimate basis, where expectations and obligations are well understood. This will be accomplished via continued development and communication of Chapter agreements and policy framework.

'Services and Infrastructure Development' – where the objective is to continue to provide Chapters with basic support and infrastructure tools to enable them to manage their members and to support outreach and information dissemination more effectively. ISOC will focus on Development of communications collateral to support outreach to members, effective membership management through the deployment and use of the AMS, alongside continued training and support and continued development and delivery of a platform for collaboration and communication ("Engagement model") as phase 2 of the AMS.

Chapter Activity by Region

Of the 96 Chapters, the breakdown in active, semi-active, rejuvenating and dormant is as follows:

ACTIVE:

33 active (website and event activity in last year, email contact)
37 semi active (occasional activity, need help)

REJUVENATING:

5 rejuvenating (currently actively rejuvenating)

DORMANT:

20 dormant Chapters

Region	Active	Semi Active	Rejuvenating	Dormant
Africa	10	7	3	3
Asia	7	8	1	1
Europe & Middle East	12	14	1	11
LAC	2	3	1	1
North America	2	5	1	3

APPENDIX E:

2010 – 2012 Full Statement of Operations (with 2009 Forecast)

2010-2012 Business Plan

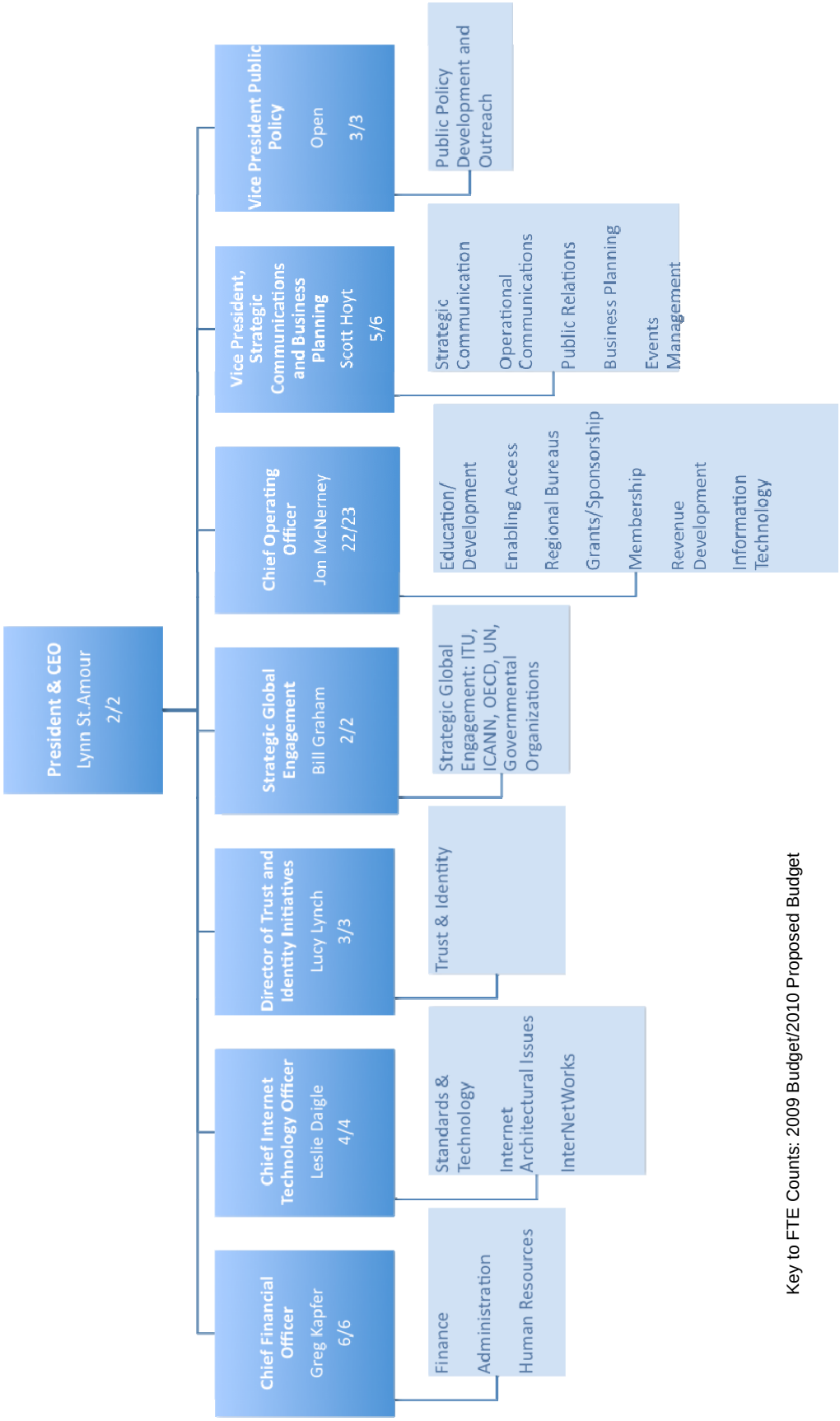
Internet Society
Statement of Activities and Change in Net Assets
2010 Budget and 2011 - 2012 Forecast ($000's)

	2009			2010		2011	2012
	Budget	Forecast	Greater Than (Less Than) 2009 Budget	Budget	Greater Than (Less Than) 2009 Frcst	Forecast	Forecast
Revenues (including IETF)							
Organization Membership/Platinum Sponsorships	$ 1,300	$ 1,140	$ (160)	$ 1,300	$ 160	$ 1,400	$ 1,500
Individual Member Dues & Donations	8	10	2	15	5	16	18
Symposium Registrations and Sponsorships	100	84	(16)	138	54	194	201
Sponsorships and Grants (excluding IETF)	300	155	(145)	495	340	850	1,700
IETF Meeting Reg, ISOC Sponsorships, Other Revenues	3,622	3,229	(393)	3,134	(95)	3,243	3,274
PIR Contribution to ISOC	15,000	14,000	(1,000)	17,000	3,000	18,000	18,000
Total Revenues	20,330	18,618	(1,713)	22,082	3,464	23,703	24,693
ISOC Department and Program Expenses (exl IETF)							
Departmental Expenses (Including Core Projects)							
Operations Group							
COO & Support Functions	899	1,072	173	924	(147)	952	981
Development	1,178	839	(339)	1,008	168	1,048	1,090
Regional Bureaus	618	598	(21)	1,500	902	1,570	1,633
Organization Members	1,112	777	(335)	1,667	890	1,734	1,803
Chapters and Individual Members	1,176	1,197	20	1,196	(1)	1,244	1,293
IT	1,289	1,542	252	1,632	90	1,697	1,765
Subtotal Operations Group	6,274	6,025	(249)	7,927	1,902	8,245	8,565
Strategic Group							
Standards and Technology	1,370	1,337	(34)	1,541	205	1,653	1,719
Major Strategic Initiatives	845	701	(144)	897	196	933	970
Strategic Global Engagement	770	813	43	972	159	1,011	1,076
Public Policy	1,453	1,345	(108)	952	(393)	1,040	1,082
Communications	2,397	2,224	(172)	2,837	613	2,950	3,093
Subtotal Strategic Group	6,835	6,420	(415)	7,199	779	7,587	7,940
Subtotal Departmental Expenses	13,109	12,445	(664)	15,126	2,681	15,832	16,505
Initiative-Based Program Expenses							
Enabling Access Initiative	1,359	1,324	(36)	1,089	(235)	1,283	1,584
InterNetWorks Initiative	285	102	(183)	190	88	198	206
Trust & Identity Initiative	199	120	(79)	200	80	208	216
Other Programs/Projects *(NDSS, Postel Award)*	110	104	(6)	113	9	118	122
Subtotal - Initiative-Based Program Expenses	1,953	1,650	(303)	1,592	(58)	1,806	2,128
Total ISOC Expenses (excl IETF)	15,062	14,094	(967)	16,718	2,624	17,637	18,633
IASA/IETF Expenses (excluding Capital)	5,076	4,572	(504)	4,696	124	4,893	4,879
Other Contributions - Standards Development Orgs	-	-	-	500	500	1,000	1,000
Total Expenses	20,138	18,666	(1,471)	21,914	3,248	23,530	24,512
Net Operating Surplus (Deficit)	192	(49)	(241)	168	217	172	181
Other Revenue (Expense)							
Interest/Other Misc. Revenue	180	190	10	210	20	220	220
Currency Fluctuations Income (Expense)	-	-	-	-	-	-	-
Subtotal Interest/Other	180	190	10	210	20	220	220
ISOC Surplus (Loss) or Change in Net Assets	**$ 372**	**$ 141**	**$ (231)**	**$ 378**	**$ 237**	**$ 392**	**$ 401**
Change in Net Assets							
Unrestricted Net Assets, Beginning of Period	$ 7,572	$ 8,920	$ 1,349	$ 9,062	$ 141	$ 9,440	$ 9,832
Unrestricted Net Assets, End of Period	$ 7,944	$ 9,062	$ 1,118	$ 9,440	$ 378	$ 9,832	$ 10,233
IASA/IETF Summary (included above)							
Meeting Registration Fees and Other	$ 2,637	$ 2,271	$ (366)	$ 2,154	$ (117)	$ 2,173	$ 2,179
ISOC/IETF Sponsorships	870	948	78	910	(38)	970	970
New IETF Support Initiatives	115	10	(105)	70	60	100	125
Expenses (Excluding Capitalized Expenditures)	(5,076)	(4,572)	(504)	(4,696)	124	(4,893)	(4,879)
Contribution to Ongoing Activities	(1,454)	(1,343)	111	(1,562)	219	(1,650)	(1,605)
Capital Expenditures	(260)	(60)	200	(575)	515	(580)	(415)
ISOC's Contribution to IETF (incl Capital Exp)	$ (1,714)	$ (1,403)	$ 311	$ (2,137)	$ 734	$ (2,230)	$ (2,020)

APPENDIX F:

Organization Chart

2010-2012 Business Plan



Key to FTE Counts: 2009 Budget/2010 Proposed Budget