Domain Name Marketplace

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Domain name basics

• Registries operate TLD (.com, .org, .pt)

• Registrars obtain domain names from Registries, make them available

• Registrants

• Users
ICANN’s role in the market

• ICANN has agreements with registries, registrars
• Introduction of competition
• Addition of new TLDs
• Accreditation of registrars
• Contractual compliance
• Transfers, domain name disputes, coordination
The Internet in 1996

- 240,000 domain names
- .com, .net, .org, plus ccTLDs such as .pt
- Domain names cost $75 per year
- Only 1 registrar – Network Solutions
- No Google (not until 1998)
The Internet in 1996

• Slow Internet connections
• Increasing amount of information online, but tools for accessing information limited
• Early stages of adoption among business and users
Yahoo! in 1996
Growth of domain names

- January 1993 – 21,000
- January 1996 – 240,000
- January 1999 – 4.0 million
- January 2001 – 27.9 million
- January 2004 – 35.3 million
- Nov 2006 – 112 million +
- March 2007 – 128 million +
The Internet today

• 128 million + domain names
• 16 gTLDs plus ccTLDs = more choice for registrants
  • .aero, .asia, .biz, .cat, .coop, .info, .jobs, .mobi, .museum, .name, .pro, .tel, .travel
• 860+ registrars
• Domain names available for as low as $1 (most in the range of $5–15 per year)
Snapshot of the domain name marketplace

More than **128 million** domain names registered globally today

Source: VeriSign Domain Name Industry Brief, June 2007
The Internet in 2007

- Immense amount of data available
- Movies, live video, music, news, blogs
- More content available and options for users
- Internet now considered a critical infrastructure and vital commercial, cultural and educational medium
The Internet in 2007
Life-Cycle of a typical gTLD domain name

Available

REGISTERED (1-10 year term)

5-day Add-Grace Period

domain is in the zone file

REGISTRATION

EXPRIED

Redemption possible

Renewal and transfer possible

AUTO-RENEW GRACE PERIOD (0-45 days)

domain may be in the zone file

REDUCTION GRACE PERIOD (a.k.a. “Pending Delete – Restorable”) (30 days)

domain no longer in the zone file (website and email no longer function)

PENDING DELETION (5 days)

Released (Available)

PRE-DROP ALTERNATIVES

DOMAINT TASTING ACTIVITY

DROP CATCH ACTIVITY
Domain names sales

- Diamond.com $7.5 million
- Vodka.com $3 million
- Nav.no $717,900
- Chat.de $470,848
- Other examples across all price ranges
- Many domains sell in $100–500 range