

# 國際網路域名市場現狀 與管理模式

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中域國際集團

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# Brandma 中域國際

- BrandCloud (品牌雲) provides the first and best-in-class online brand management platform in Greater China for global brands and domain / trademark professionals
- rooTLD (新域通) serves ~300 New gTLDs
  - China Gateway Services
  - Operation & Marketing support
- Est. Apr. 2014; Series-A completed Jul. 2014
- Offices: Taipei, Beijing, Chengdu, Hong Kong, San Francisco, Philadelphia, Tokyo

# About me

- 15-year in gTLD and ccTLD registries and registrars businesses
  - Founding-VP, Board Director of DotAsia (.asia)
  - Register.com (now web.com)
  - TWNIC (.tw)
- ICANN ccNSO Councilor
- Ex-GNSO Councilor; RySG Excom Officer
  - Policy contribution on New gTLD program, UNCT, Universal Acceptance, etc.



# 內容

- 國際域名產業鏈介紹
- 全球主要域名業者概況
- 域名註冊和管理模式探討
- 域名產業發展趨勢
- 台灣域名產業發展的瓶頸



# 國際域名產業鏈介紹



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Taiwan IGF 2015





**INTERNET COORDINATION LAYER**

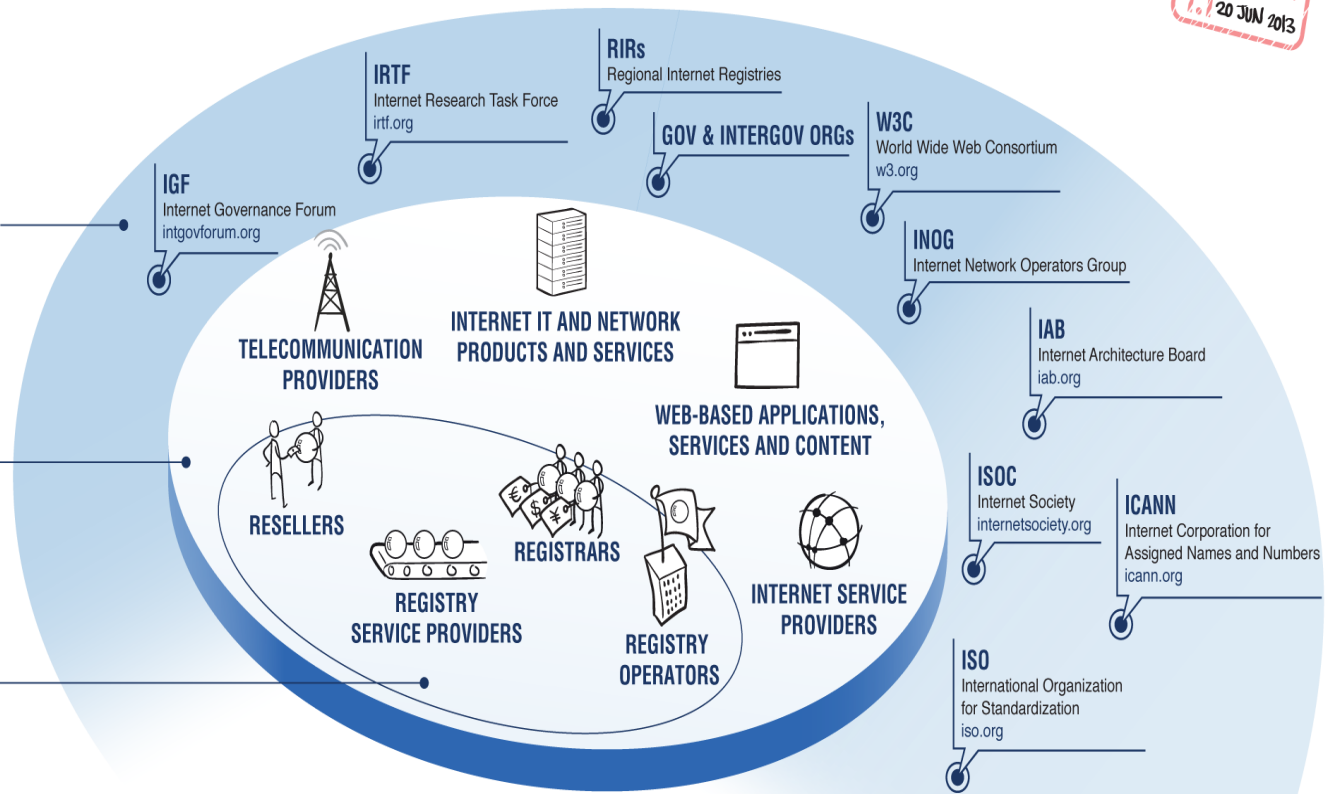
They work cooperatively from their respective roles to create shared policies and standards that maintain the Internet's global interoperability for the public good.

**ICT SECTOR**

Service providers and industries that contribute to the distribution and evolution of the Internet.

**DOMAIN NAME INDUSTRY**

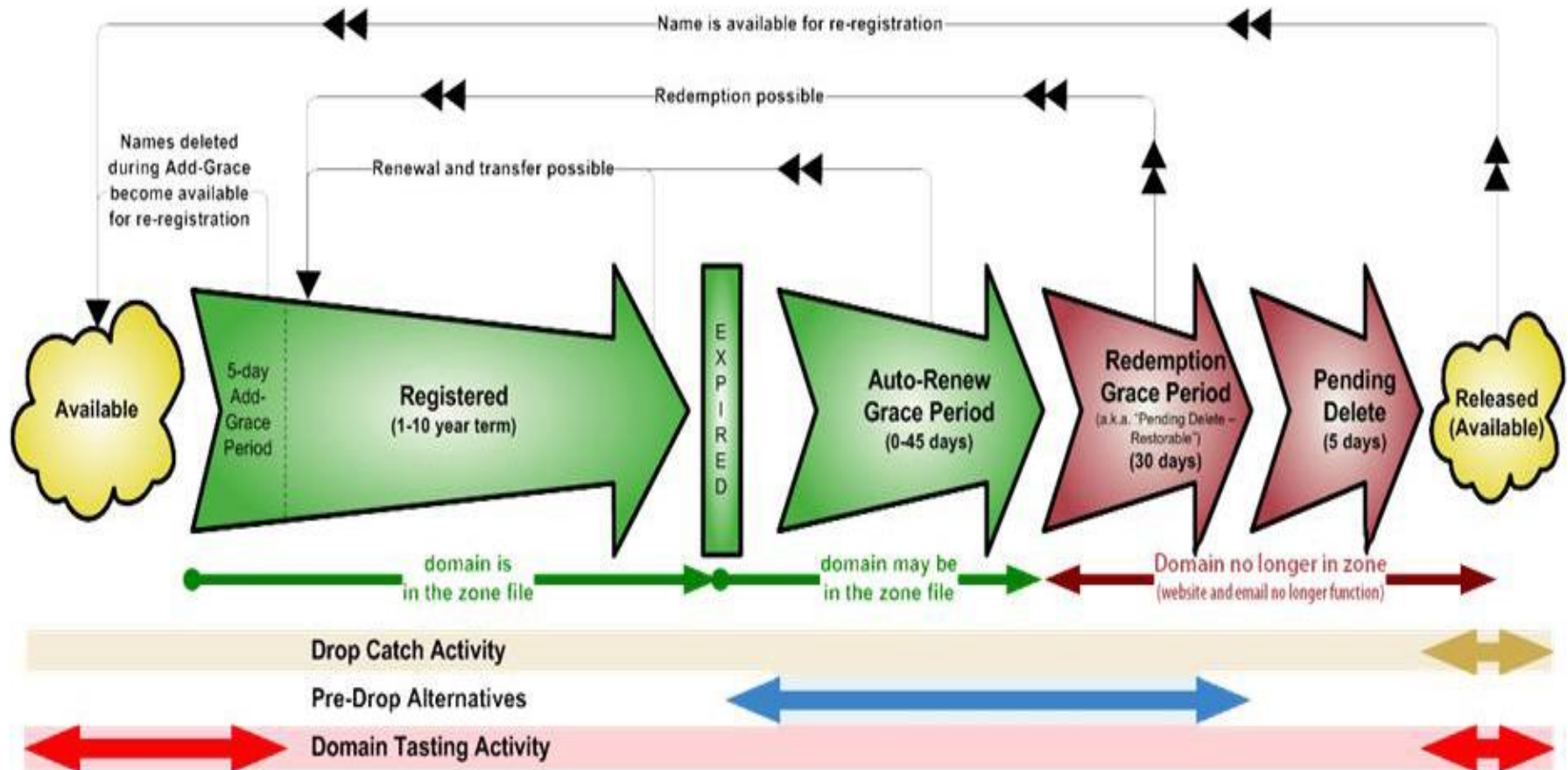
Organizations, businesses and individuals involved in the provision, support and sale of domain names.



<p><b>REGISTRY SERVICE PROVIDERS</b></p>	<p><b>REGISTRY OPERATORS</b></p>	<p><b>REGISTRARS</b></p>	<p><b>RESELLERS</b></p>
<p>Registry Service Providers manage the technical operations in support of Registry Operators.</p>	<p>Registry Operators are responsible for the management, administration, and promotion of a Top-Level Domain.</p>	<p>Registrars manage the provisioning of domain names under a Top-Level Domain.</p>	<p>Resellers are appointed by Registrars to increase their distribution network.</p>



# Domain Name Life Cycle



# TLD market size

## Q4 2014 DOMAIN NAME REGISTRATIONS

71K “.com” and 5K new gTLD registered by TW registrants

(source: webhosting.info)

**288** MILLION  
domain names  
registered globally<sup>1</sup>



**6.2%** INCREASE  
year over year  
from Q4 of 2013



## GROWTH OF .COM & .NET

Verisign is the global registry operator for .COM and .NET.

**130.6 MILLION** **.com**  
.COM & .NET domain names in  
the domain name base<sup>4</sup> in Q4 2014 **.net**

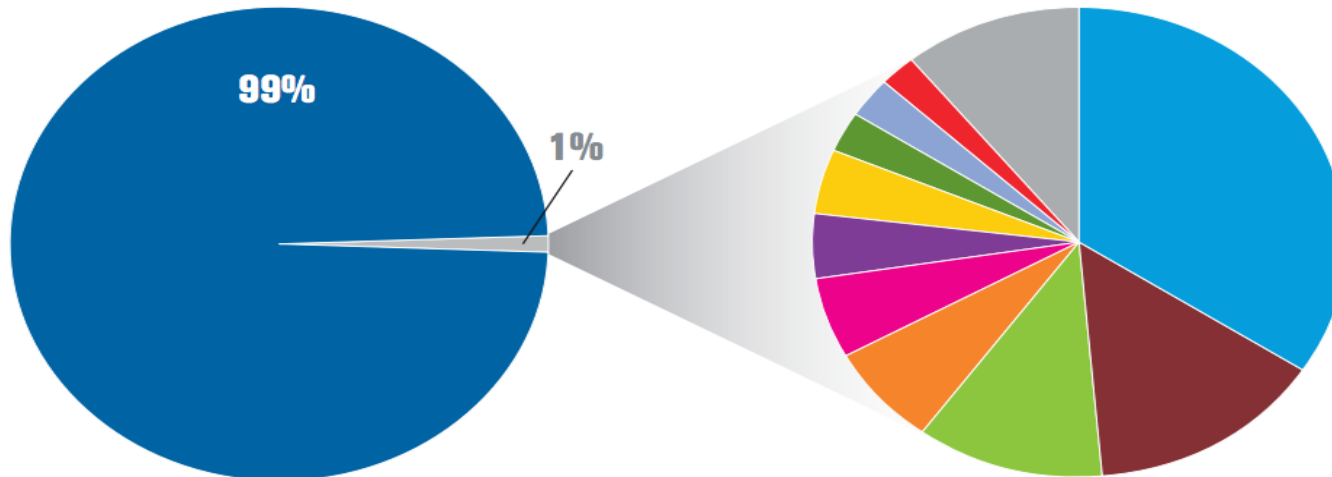
**2.7% INCREASE**  
year over year



**8.2 MILLION** **.com**  
new .COM & .NET domain names  
in Q4 2014 **.net**

**ccTLDs**  
.de .us  
.uk .jp  
.ru .za  
.au .as  
.fr

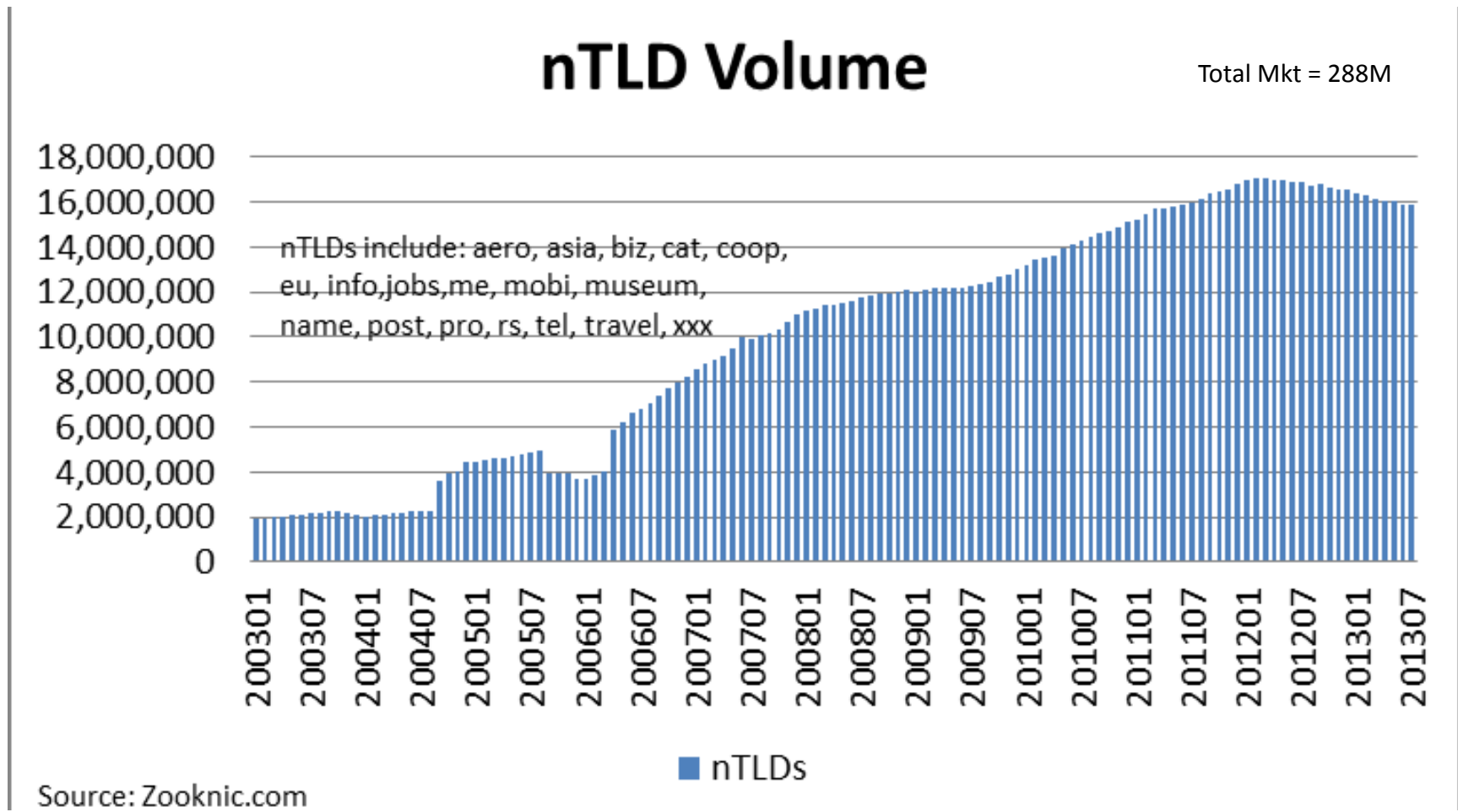
**ngTLDs**



### ngTLDs

- .berlin (34.3%)
- .nyc (14.4%)
- .london (11.5%)
- .tokyo (7%)
- .bayern (5.5%)
- .hamburg (4.4%)
- .koeln (4.4%)
- .paris (2.9%)
- .vegas (2.6%)
- .moscow (2.4%)
- Other (10.6%)

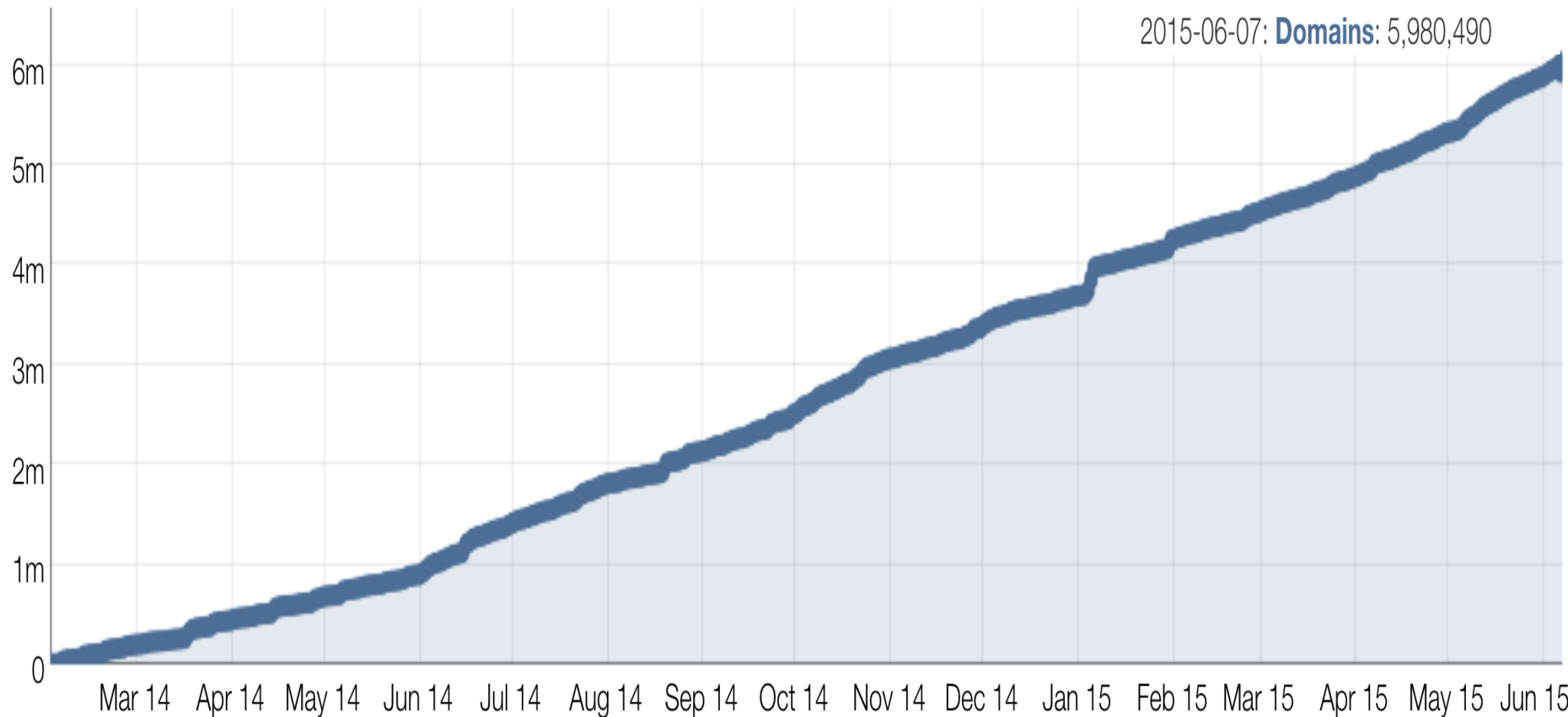
# 17 TLDs introduced since 2001~2012 w/ 16M registration



Source: Zooknic.com

# ~6M New gTLD registrations over 650 TLD registries

new gTLD Domains

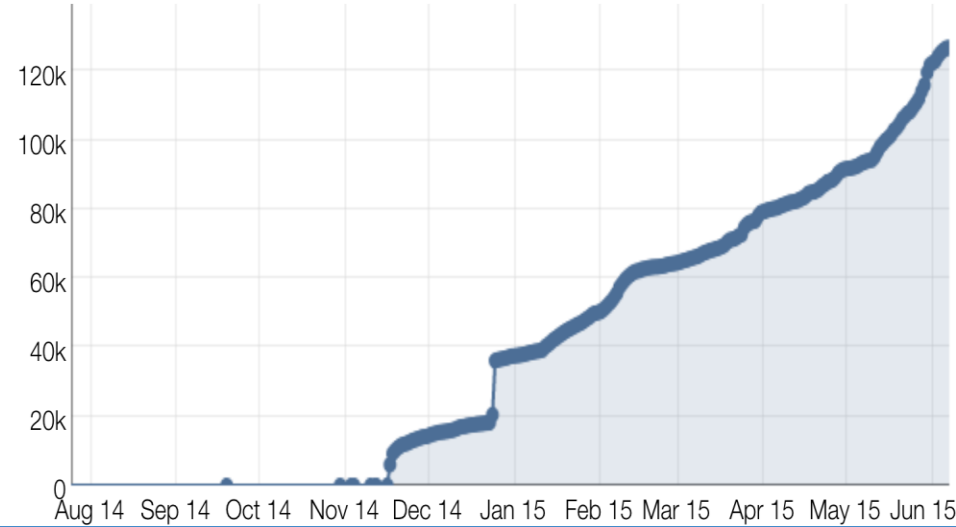


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## Registry Breakdown

Registry	new gTLDs
1. XYZ.COM LLC	3
2. Uniregistry, Corp.	21
3. KNET Co., Ltd.	1
4. dot Science Limited	1
5. Rightside Registry	36
6. .CLUB DOMAINS, LLC	1
7. Blue Sky Registry Limited	1
8. Zodiac Registry Limited	1
9. dotBERLIN GmbH & Co. KG	1
10. Jiangsu Bangning Science & Technology Co.,Ltd.	1



## .top breakdown

Registrar	Domains	% Share
1. Jiangsu Bangning Science and technology Co. Ltd.	25,793	20.33%
2. Chengdu West Dimension Digital Technology Co., Ltd.	24,981	19.69%
3. Alibaba Cloud Computing Ltd. d/b/a HiChina (www.net.cn)	21,085	16.62%
4. eName Technology Co., Ltd.	14,714	11.60%
5. 101domain, Inc.	11,749	9.26%
6. Bizcn.com, Inc.	8,744	6.89%
7. Shanghai Meicheng Technology Information Co., Ltd	2,589	2.04%
8. OnlineNIC, Inc.	2,515	1.98%
9. Xin Net Technology Corporation	2,375	1.87%
10. 35 Technology Co., Ltd.	1,901	1.50%

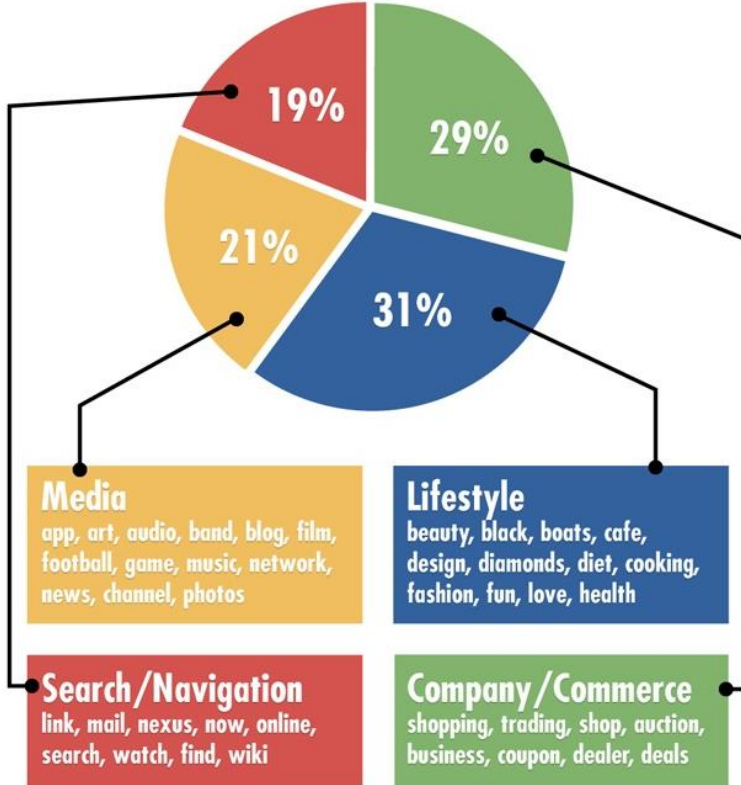


**.CLUB has 10X the usage** of the average new domain extension based on # sites in the Alexa Top Million

## Number Of Websites In The Alexa Top Million\*





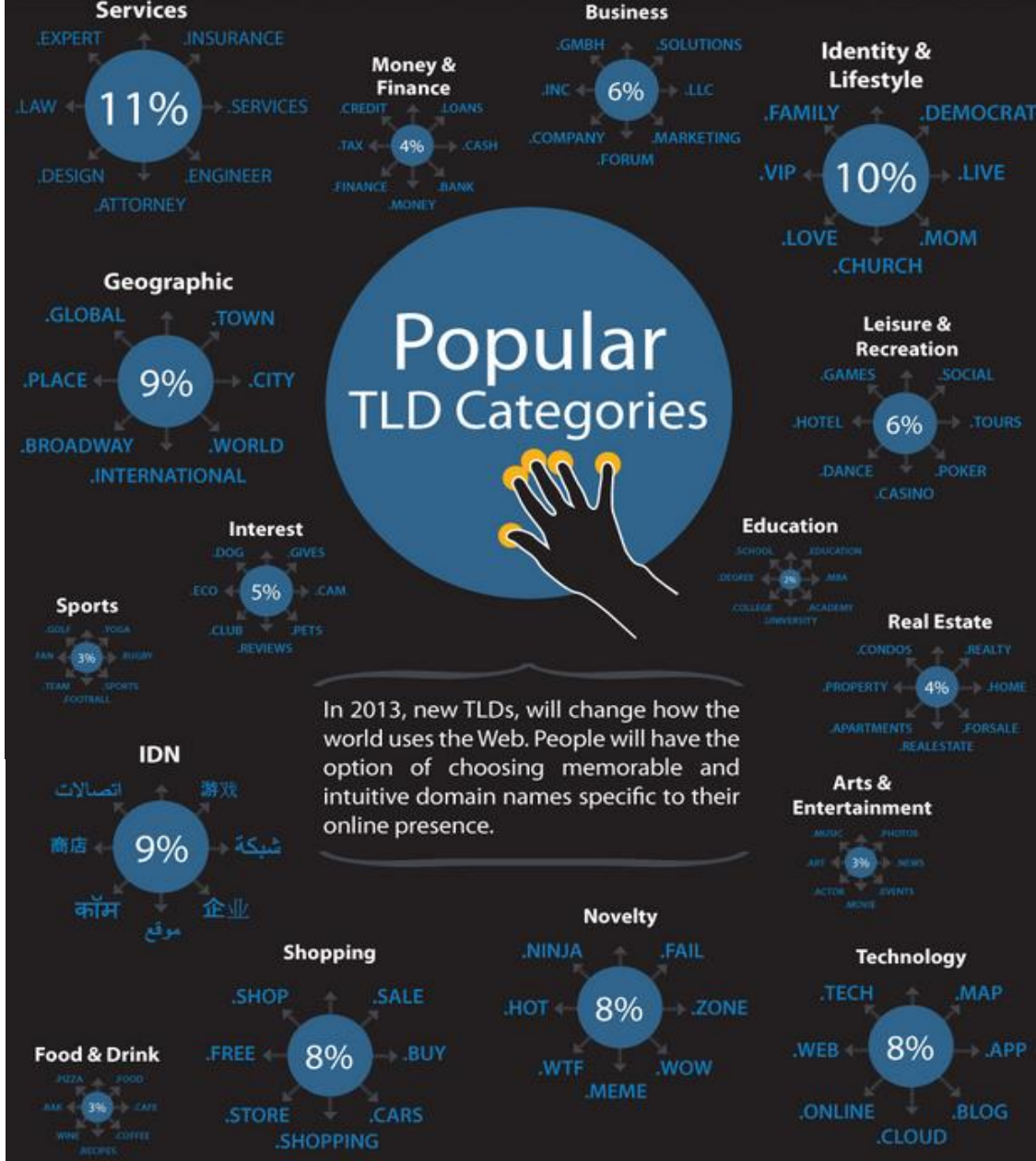


**Media**  
app, art, audio, band, blog, film, football, game, music, network, news, channel, photos

**Lifestyle**  
beauty, black, boats, cafe, design, diamonds, diet, cooking, fashion, fun, love, health

**Search/Navigation**  
link, mail, nexus, now, online, search, watch, find, wiki

**Company/Commerce**  
shopping, trading, shop, auction, business, coupon, dealer, deals



In 2013, new TLDs, will change how the world uses the Web. People will have the option of choosing memorable and intuitive domain names specific to their online presence.

**TOP BIG BRAND gTLD FILERS**

- |     |  |    |  |
|-----|--|----|--|
| 101 |  | 13 |  |
| 76  |  | 11 |  |
| 14  |  | 10 |  |
| 14  |  | 8  |  |
| 14  |  |    |  |

## Retail & Consumer Goods

### Famous Retail

Target, Walmart, Macys, Best Buy

### Automotive

Hyundai, Ford, Goodyear, Toyota, BMW, Audi

### Luxury

Gucci, Tiffany's, Chanel, Cartier, Mont Blanc

### Consumer Packaged Goods

Heinz, Johnson & Johnson, DelMonte, Safeway

## Tech & Pharma

### Imaging

Canon, Epson, Nikon

### Software

Apple, Oracle, Intel, Microsoft

### Pharma

Lilly, Cialis, Merck, Pfizer

### Tech Services

AOL, Xerox, Verisign, Yahoo

## Media, Sports, & Travel

### Food & Travel

Marriott, Delta, McDonalds, Cipriani

### Games & Social

XBox, Lego, Sony, Flickr

### Networks

Food Networks, BBC, HBO, ABC

### Sports & Theater

Broadway.com, NFL, NBA, Netflix

## B2B, Financial Services, & Non Profit

### B2B

Deloitte, Accenture, KPMG, Dun & Bradstreet

### Financial

JP Morgan, American Express, PNC, Capital One

### Insurance

State Farm, AllState, Travelers, Progressive

### Non Profit

American Heart Association, AARP, Livestrong

# Applications by type of TLD

66 3% .Geographic  
84 4% .Community

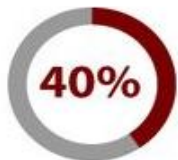
643 33% .Brand

1137 59% .Generic

# .BRANDs

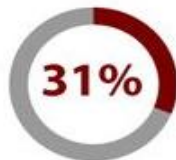
Geographical origin of the 643 applications

### North America



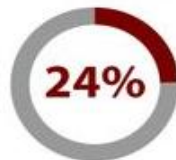
260 applications

### Europe



201 applications

### Asia / Pacific



158 applications

### South America



15 applications

### Africa



9 applications

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# Top 10 Public Sales

## gTLDs

Domain	Price
mm.com*	\$ 1,200,000
true.com*	€ 350,000
malls.com*	\$ 320,000
gab.com	€ 200,002
cornerstonehomes.com*	\$ 150,000
kaffee.de*	€ 100,000
vitaminc.com*	€ 104,000
jct.com	\$ 98,000
teamshirts.com	\$ 89,000
jamrock.com	\$ 68,750

\* Sold by Sedo brokerage team

## New gTLDs

Domain	Price
eat.club*	\$ 20,000
jobboerse.berlin	€ 8,000
print.club	\$ 3,750
finde.singles	€ 2,000
mobile.contractors	\$ 2,499
whatsup.today*	€ 1,500
vienna.estate	€ 1,499
living.company	\$ 1,999
beard.club*	\$ 1,500
chicago.directory	\$ 1,000

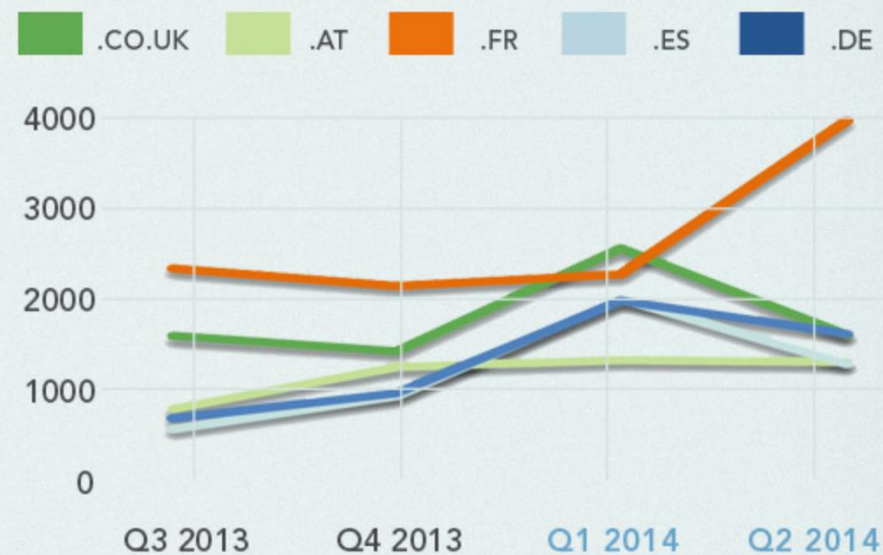
\* Sold by Sedo brokerage team

# Comparison of Mean Sales Prices

### Mean Prices by gTLD



### Mean Prices by ccTLD



# 全球主要域名業者概況



Stock	Market Cap. (USD)	P/E (as of 5 June 2015)
Verisign (VRSN) Registry; Infrastructure	7.3 B	25
Neustar (NSR) Registry; Numbering; Analytics	1.6 B	9
CentralNIC (CNIC.L) Registry & Registrar	21 M (GBX)	39
GoDaddy (GDDY) Hosting  Registrar	4.5B	--
Web.com (WWW) Hosting  Registrar	1.2B	--
Demand Media (DMD) Registry & Registrar	118M	--
Endurance (EIGI) Hosting; Registrar	2.6 B	--
Thomson Reuters (TRI) MarkMonitor as Registrar	30 B	16
Iron Mountain (IRM) Data security	6.8 B	20
NCC Group(NCC.L) Data security	454 M (GBX)	19

# Domain Registrars in China

## Quick Fact:

.cn: 11 M (2014.12)  
 .com: 8.3 M (2015.05)  
 # of ICANN Registrar: 75  
 -- w/ 2013 RAA: ~40(2015.04)  
 # of reg. TM: ~10 M (2014)  
 # of reg. company: 14M (2013.06)

 西部数码  
 www.westdns.com  
 market share: 4.5%  
 total domains: 267,710

 新网  
 www.xinnet.com  
 market share: 12%  
 total domains: 724,592

 新网互联  
 www.dns.com.cn  
 market share: 4.6%  
 total domains: 276,482

 阳光互联  
 www.sunlight.com.cn  
 market share: 3.8%  
 total domains: 226,692

 联动天下  
 www.123.net  
 market share: 2.26%  
 total domains: 133,671

 万网  
 www.wanwang.com  
 market share: 22%  
 total domains: 1,339,699

 中国数据 10周年  
 www.10.com.cn  
 market share: 4.7%  
 total domains: 279,556

 易名中国  
 www.ymz.com.cn  
 market share: 2.77%  
 total domains: 163,720

 35.COM  
 www.35.com.cn  
 market share: 5%  
 total domains: 313,838

 商务中国  
 www.bj.com.cn  
 market share: 2.21%  
 total domains: 125,724

 易名中国  
 www.ymz.com.cn  
 market share: 4.4%  
 total domains: 260,719



# Key Players

TOTAL APPLICATIONS

1930

8%

160

12%

236

16%

305

17%

334

18%

353



## TOP NUMBER OF APPLICATIONS

BY APPLICANT



Donuts Inc.

# Donuts, Inc

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- A new start-up created in 2010 solely to pursue new gTLDs opportunities, by key domain name industry players (Stahura, Nevitt, Tindal, Schindler);
- Raised \$300 million in capital from multi-billion dollar private equity and venture funds;
- Applied for 307 new gTLD strings
- Investors include: Austin Ventures; Adams Street Partners; Emergence Capital Partners; TL Ventures; Generation Partners and Stahurricane (Stahura's investment fund)
- Donuts has further obtained a senior secured revolving credit facility with Comerica Bank.



# Google, Inc. (GOOG)

- Publicly traded company with 363 billion dollar market cap;
- Applied for 101 strings, but has since withdrawn several applications;
- Several current and former Google employees have held key leadership positions within ICANN: Vint Cerf; Harald Alvestrand; Andrew McLaughlin;
- Google's applications fall in a number of different buckets: (Trademark, Closed Generic, Open Generic)
- Google has actively been seeking partnerships in connection with competing applicants;



The gTLDs that Google wants to run.  
(Credit: James Martin)

# Amazon (AMZN)

- Publicly traded company with a \$198 billion market-cap;
- Recently hired Stacey King as their new Sr. Corporate Counsel, formerly at Richemont, well respected trademark attorney within the community;
- Applied for 76 TLDs: .AMAZON, .COUPON, .APP, .CLOUD, .GAME
- Has received a lot of criticism for the “closed” nature of its applications:

The mission of the .BOOK registry is: To provide a unique and dedicated platform for Amazon while simultaneously protecting the integrity of its brand and reputation.

A .BOOK registry will: Provide Amazon with additional controls over its technical architecture, offering a stable and secure foundation for online communication and interaction. Provide Amazon a further platform for innovation. Enable Amazon to protect its intellectual property rights.





# Minds + Machines (M+M)

- A wholly owned subsidiary of Top Level Domain Name Holding (TLDH)
- TLDH is a publicly traded company on the London Exchange with a £ 137 million market cap.
- Raised 14 million in funding to pursue new gTLDs
- M+M is actively involved in 68 gTLD applications
- TLDH came under a lot of heat when former ICANN Board Chair Peter Dengate Trush became Executive Chairman of TLDH shortly after stepping down from the ICANN Board.



# Uniregistry, Inc.

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- Uniregistry was founded by Frank Shilling a Canadian national currently residing in the Cayman islands with an estimated net worth of \$500 million
- Uniregistry has assembled a team of key domain name players, including several prominent domain name attorneys (Fausett & Berryhill)
- Shilling owns an ICANN accredited registrar and has one of the largest generic domain name portfolios in the world
- Shilling has created the largest privately owned domain name traffic monetization platform
- Brilliant outside the box marketing type; hybrid business model



# Google Patent Filings

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US Patent Application: 20080098058

Date: April 24, 2008

Title: Online Ranking Protocol

Excerpts from Patent Application:

A geographic region or locale parameter may also be defined to give context to user actions. The region parameter indicates the location of the user or the location of the action. **For example, if a user action is determined to have taken place in Canada (e.g., because the action was performed at a subscriber in the ".ca" country code top-level domain),** the signal reporting the action may include a value specifying "Canada" for the region or locale parameter.



# Microsoft Patent Filings

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US Patent Application: 20080046550

Date: February 21, 2008

Title: MESSAGE BASED NETWORK TRANSMISSION FOR SELECTION AND AUDITING OF INTERNET SERVICES

Excerpts from Patent Application:

A computer performing a method comprising :sending to a referral server, one or more messages requesting internet services available in a geographic region and including an identifier where the computer is located; receiving from the referral server, one or more messages indicating available services including, **top-level-domains**, currency, a language available in the geographic region, a list of providers available in the geographic region, and for each provider in the list, a provider name, a description of provider services, a provider icon, and a provider URL;



# 域名註冊和管理模式探討



# Phased Registration: Name space planning

- RFP or Limited Roll-out
- Sunrise / RPM
- Early Access
- Auction
- Premium and Reserved Names
- 1&2 character and country names



# Eligibility Requirement

- Restricted use or Unrestricted
- Registrant Qualification
  - Geo vs. Community vs. Brand
  - Financial and highly-regulated industry
- Registrant Verification



# Considering Market Dynamics

- Registrar / Registrant attention deficit!
- Registrar shelf space shortage
- Creative TLD launch model
- URS = TLD killer ?
- China: Telemarketing for IDN





# TLD Operation Evolution

- SaaS model
- Policy engine
- Registrar integration (.brand)
- Post-registration billing
- WHOIS compliance



# China gTLD License: Based document

- The State Council Retains Administrative Licensing Decision (国务院令412号)
- Licensing Implementation by MIIT (工信部2号令)
- China Internet Domain Name Regulations (信息产业部令第30号)
- New rule is expected to publish sometimes in 2015
  - China-based TLD has submitted the application based on draft version

## **Relevant Stakeholders:**

Ministry of Cyberspace Affairs Administration (MCAA, part of PRC Central Gov.)

Ministry of Industry and Information Technology (MIIT, part of State Gov.) ★★

Chinese Academic of Telecommunication Research (CATR, subsidiary of MIIT) ★

China Internet Network Information Center (CNNIC, will be merged into MCAA)

★★ MIIT approves and issues license    ★ CATR performs initial evaluation and completeness check

# MIIT Requirement: In a snapshot

## 工信部对于国内域名管理机构的资质要求

To receive license approval from MIIT, a TLD operator must:

- Setup its “registration service” in Mainland China
- Have a local presence or engage with qualified local partner
- Validate registrant’s identity (e.g. Real-name check)
- Conduct 2<sup>nd</sup>-level string check against government blocked list
- Network security compliance
- Information security compliance
- Solid business plan

顶级域名管理系统设置  
在中华人民共和国境内

有健全的域名注册服务  
管理制度和对域名注册  
服务机构的监督机制

有完善的业  
务发展计划  
和技术方案

有从事顶级  
域名经营和管  
理相适应的场  
地、资金、专  
门人员

# 域名產業發展趨勢



- 註冊管理機構 (Registry) 與註冊服務機構 (Registrar) 垂直整合, 集團化發展
- .COM 域名保持並加大領先地位
- 二手市場持續火熱
- 新頂級域造成品牌管理風險增加
- 品牌 .brand 將成為主流



LINE . kr

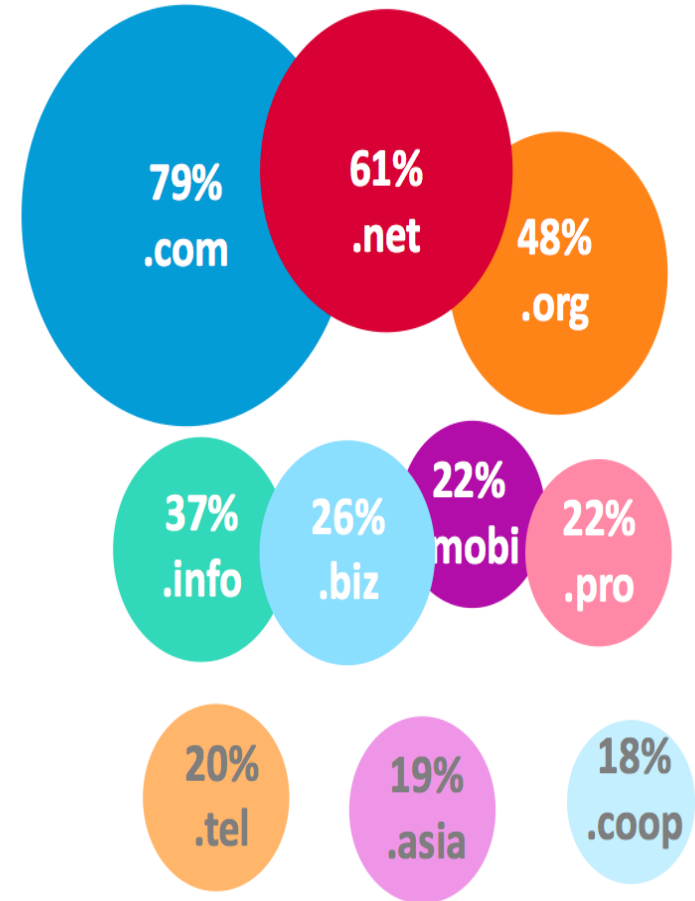
LINE . tw



(Source: ICANN)

## PURCHASE CONSIDERATION BY DOMAIN EXTENSION - TOTAL

88% Likely for Any (Net)



**NORTH AMERICA (A)**    **SOUTH AMERICA (B)**    **EUROPE (C)**    **AFRICA (D)**    **ASIA (E)**

Top 2 Box (Very/Somewhat Likely)

Very/Somewhat Likely for ANY below

	85%	92% ACE	84%	98% ABCE	88% AC
.com	79% C	86% ACE	67%	92% ABCE	80% C
.net	56% C	62% AC	48%	73% ABCE	65% AC
.org	46% C	52% AC	40%	72% ABCE	48% C
.info	23%	40% AC	30% A	47% ABC	42% AC
.biz	17%	21% AC	16%	38% ABCE	32% ABC
.pro	13%	21% ACD	15%	15%	27% ABCD
.mobi	9%	20% AC	13% A	33% ABCE	27% ABC
.tel	10%	22% ACD	14% A	13%	26% ABCD
.asia	7%	17% ACD	10% A	8%	28% ABCD
.coop	8%	23% ACD	11% A	12% A	24% ACD

Letters indicate significantly higher than region. Region vs. Total    ● Higher    ● Lower

Respondents were shown a list including a fixed set of TLDs and some targeted to the individual region.



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(Source: ICANN)



**NORTH AMERICA (A)**    **SOUTH AMERICA (B)**    **EUROPE (C)**    **AFRICA (D)**    **ASIA (E)**

Top 2 Box (Very/Somewhat Likely)

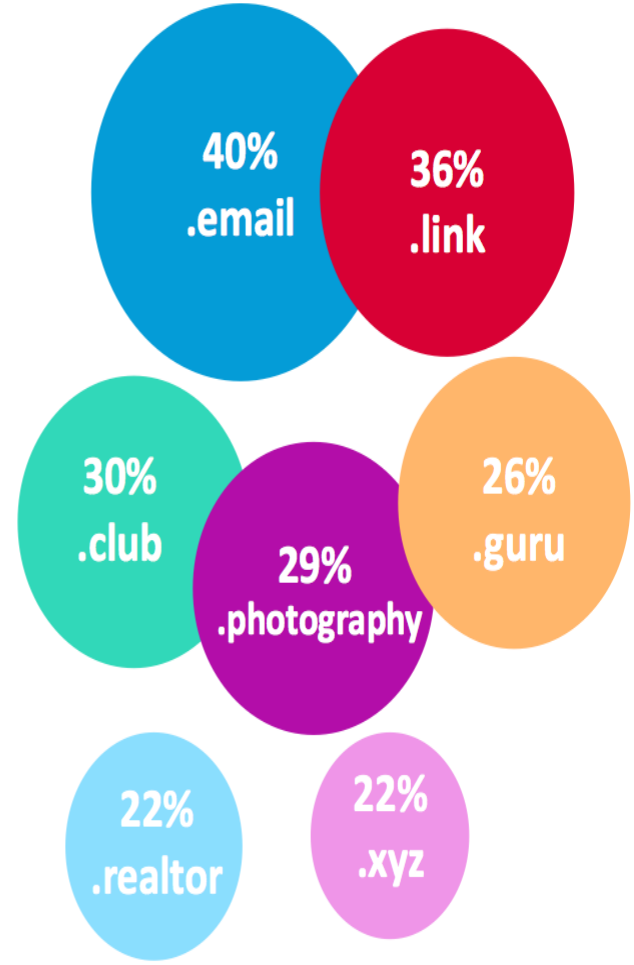
Very/Somewhat Likely for ANY below

	NORTH AMERICA (A)	SOUTH AMERICA (B)	EUROPE (C)	AFRICA (D)	ASIA (E)
.email	36% ●	59% AC ●	35% ●	60% AC ●	60% AC ●
.link	24% ●	49% AC ●	25% ●	43% AC	47% AC ●
.club	22% ●	46% AC ●	20% ●	42% AC ●	43% AC ●
.photography	17% ●	36% ACD ●	17% ●	27% AC	38% ACD ●
.guru	17% ●	35% ACD ●	16% ●	28% AC	35% ACD ●
.xyz	13% ●	30% AC ●	12% ●	28% AC	34% ACD ●
.realtor	11% ●	26% ACD ●	11% ●	19% AC	29% ACD ●
.realtor	11% ●	26% ACD ●	11% ●	19% AC	29% ACD ●

Letters indicate significantly higher than region.    Region vs. Total    ● Higher    ● Lower

## PURCHASE CONSIDERATION BY NEW DOMAIN EXTENSION - TOTAL

52% Likely for Any (Net)



Respondents were shown a list including a fixed set of TLDs and some targeted to the individual region.



# 台灣域名產業發展的瓶頸



- 我國域名服務市場規模太小, 缺乏成長動能和誘因, 與國際主流脫軌
- 主管機關長期忽略域名服務和相關產業, 缺乏中長期規劃的能力與遠見
- 百大企業不重視品牌域名資產保護, 長期受網路廣告或行銷業者誤導
- 許多國人對域名基本常識陌生, 認為買賣或投資域名是犯罪行為