



Newsletter

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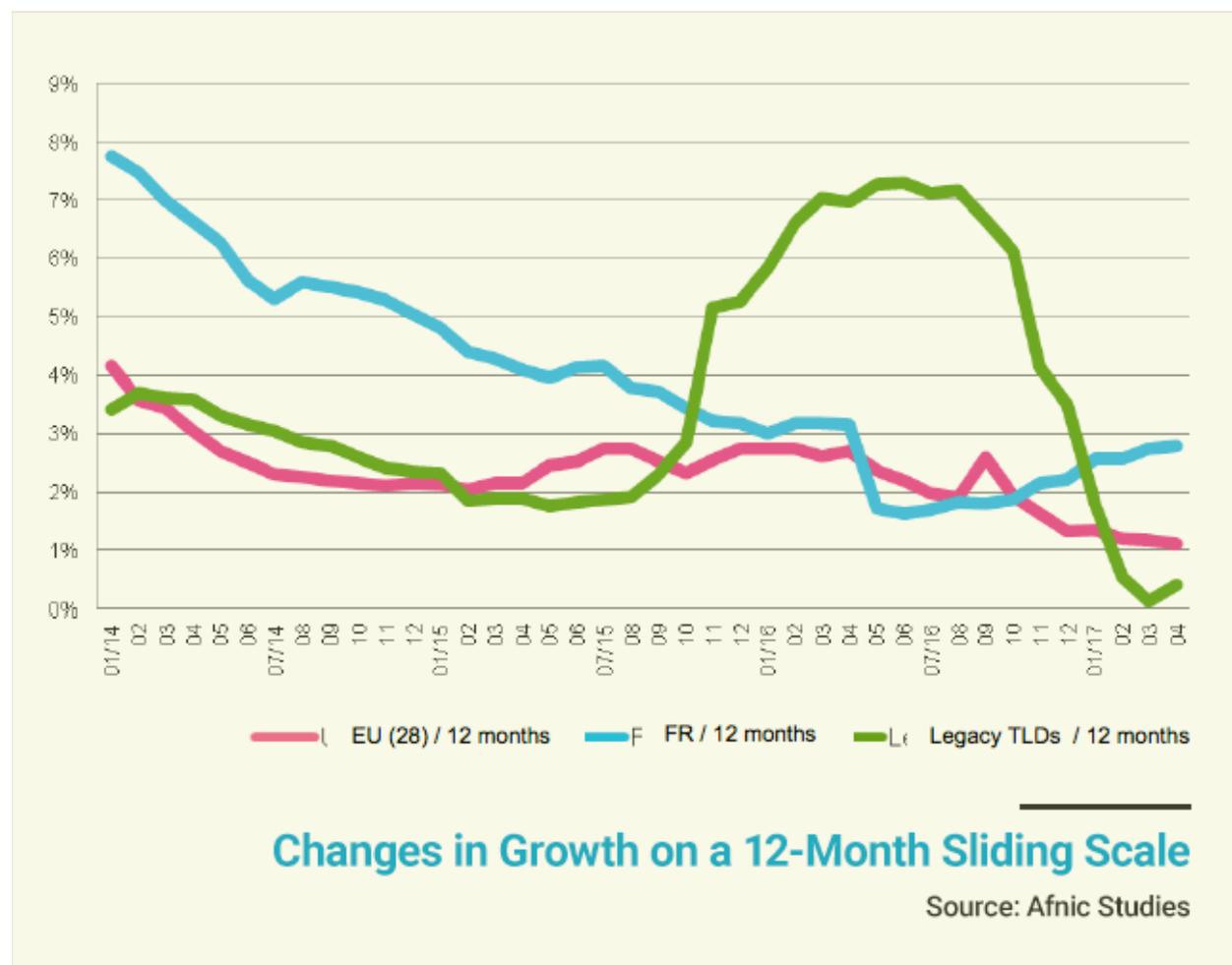
The Internet Corporation for Assigned Names and Numbers (ICANN) announced the release of its Final Report on Africa Domain Name System (DNS) Market Study. This study serves as part of ICANN's outreach efforts to support and improve the regional DNS industry. The report includes 54 countries. It was commissioned to:

- Highlight the strengths and weaknesses in the DNS sector in Africa,
- Develop recommendations on how to advance the industry to better exploit the opportunities available and to address identified challenges,
- Explore options for establishing an observatory to continuously monitor the growth, development and emerging needs of the DNS market in Africa.
- The findings of the report, which will guide the next steps for capacity-building in Africa, lead to significant conclusions and recommendations highlighted below:

- There are, as of May 2017, some 5.1 million domain names associated with Africa. The total annual value of the African Domain Name market is some \$52 million.
- Many countries could usefully remove or reduce barriers to growth of the Internet industry generally and the Domain Name market in particular.
- There is considerable potential for growth in the Domain Name market in Africa for the foreseeable future.

Source: ICANN

Overview of the Global Domain Market, Afnic Study



Afnic, the French Network Information Centre and manager of the .fr TLD, published its report on the global domain market in 2016. The study is based on ICANN statistics, information from registries, specialized websites and its own research. “After boosting the performance of some TLDs in 2015, ‘Chinese domain name filings’ are now weighing on the growth of these same TLDs because of the numerous deletions. The build-up of the financial sphere in the capital of certain major players is resulting in ambitious strategies while subjecting the market to new frames of reference and changes in management teams.”

Highlight of some of the key points from the report:

- Overall market growth in 2016 was 7.1%, down from 11.7% in 2015.

- At the end of 2016, the global domain name market represented some 338 million domain names, including 169 million under Legacy TLDs (.COM, .NET, .ORG, etc.), 28 million under nTLDs created from 2014 onwards, and 141 million under ccTLDs (GeoTLDs).

- The situation of the “Legacy” TLDs varied quite considerably in 2016, some losing stock while others made marked progress. With its 131 million domain names and 39% market share, the .COM remained the market heavyweight but its positions are slowly being eroded, with a loss of 3 market share points since year-end 2014. Its growth has also considerably slowed down (from 6.4% to 3.7%).

- nTLDs continued to gain market share in terms of volume, accounting for 8% of the domain names registered worldwide at year-end 2016, compared with 4% at year-end 2015. This development in the use of nTLDs is encouraging, although its level is still low. The nTLD market can be broken down into segments - Community, Geo, Generic and Corp - with very different purposes and profiles, from the hundreds of .Corp that only hold a few names, to generic TLDs involved in a race for volume.

- Country code Top-Level Domains (ccTLDs) which had an excellent year in 2015, experienced zero growth in 2016. Africa and North America were the most dynamic regions in 2016, while Europe in comparison stagnated. Latin America is growing slowly but surely, and the Asia-Pacific region is subject to very strong variations both upwards and downwards. That region today is the one that determines the overall market trend.

Source: CircleId

.net Price Increases Approved

Verisign has been given the right to continue to raise the wholesale price of .net domains.

It now seems likely the price charged to registrars will top \$15 by 2023.

ICANN's board of directors approved the renewal of the .net Registry Agreement, which gives Verisign the right to increase its prices by 10% per year for the six years of the contract.

Assuming the company exercises all six options, and there's no reason to assume it will not, the price of a .net would be \$15.27 by the time the contract expires, \$0.75 of which would be paid to ICANN in fees.

There was some negative public comment about the increases, largely from domainers and those representing domainers, but the ICANN board saw nothing to persuade it to change the terms of the contract.

In notes appended to its resolution, the board stated:

The Board understands that the current price cap provisions in Verisign's Registry Agreements, including in the .NET Registry Agreement, evolved historically to address various market factors in cooperation with constituencies beyond ICANN including the Department of Commerce. During the negotiations for the renewal, Verisign did not request to alter the pricing cap provisions, the parties did not negotiate these provisions and the provisions remain changed from the previous agreement. The historical 10% price cap was arguably included to allow the Registry Operator to increase prices to account for inflation and increased costs/investments and to take into account other market forces but were not dictated solely by ICANN.

Unlike contract renewals for other pre-2012 gTLDs, the .net contract does not include any of the new gTLD program's rights protection mechanisms, such as the Uniform Rapid Suspension policy.

ICANN explained this disparity by saying these mechanisms are not consensus policies, and that it has no right to impose them on legacy gTLD registry operators.

Source: Domain incite

New Report Presents Syntax and Operability Accuracy of WHOIS Data in gTLDs

ICANN published the WHOIS Accuracy Reporting System June 2017 report. This latest report of the WHOIS Accuracy Reporting System (ARS) acts as a follow-on to the reports published in December 2016, June 2016, and December 2015.

The report explores both the syntax and operability accuracy of WHOIS records in gTLDs as compared to the requirements of the 2009 and 2013 Registrar Accreditation Agreements (RAAs). It also examines the leading types of nonconformances, trends and comparisons of WHOIS accuracy across ICANN regions, RAA versions and gTLD types.

ICANN developed accuracy tests to answer questions about the syntax (format and content) and operability (e.g., does an email sent to the email address provided in the WHOIS record go through?) of a sample of WHOIS records. Then, using statistical methods, syntax and operability accuracy estimates with a 95 percent confidence interval were provided for the population of domains in gTLDs as a whole, as well as for several subgroups of interest.

Key Findings

The analysis found that:

- Nearly all WHOIS records contain information that can be used to establish immediate contact: In 98.6 percent of records, at least one email or phone number meets all operability requirements of the 2009 RAA.
- Approximately 94 percent of email addresses, 69 percent of telephone numbers and 97 percent of postal addresses were operable (see Table 1 below for more information).

Table 1: Overall gTLD Operability Accuracy by Contact Mode (95 percent confidence interval)

	Email	Telephone	Postal Address	All 3 Accurate
All 3 Contacts (Registrant, Technical, Administrative) Accurate	94.5% ±0.5%	68.9% ±0.8%	97.2% ±0.3%	65.4% ± 0.9%

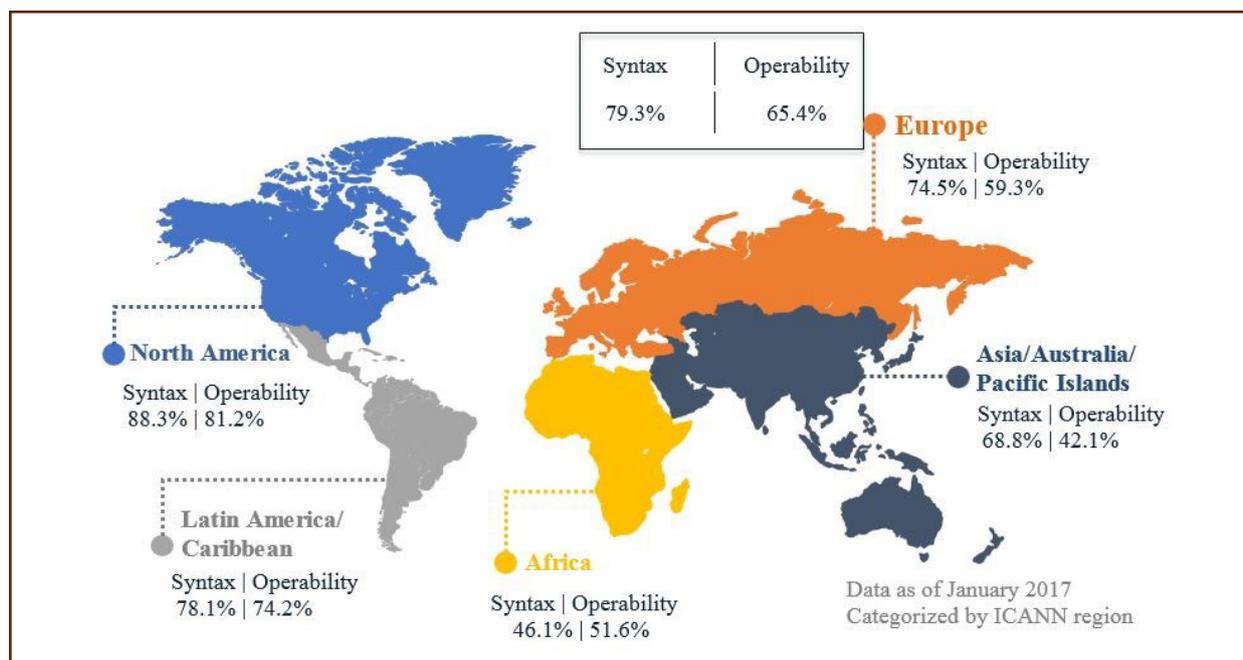
- In terms of syntax accuracy, approximately 99 percent of email addresses, 90 percent of telephone numbers and 87 percent of postal addresses were found to meet all the requirements of the 2009 RAA (see Table 2 below for more information).

Table 2: Overall gTLD Syntax Accuracy to 2009 RAA Requirements by Contact Mode (95 percent confidence interval)

	Email	Telephone	Postal Address	All 3 Accurate
All 3 Contacts (Registrant, Technical, Administrative) Accurate	99.5% ±0.1%	89.5% ±0.6%	87.4% ±0.8%	79.3% ± 0.8%

The report also shows a breakdown of accuracy rates by ICANN region (see Figure 1 below for more information).

Figure 1: Overall gTLD Syntax and Operability Accuracy by ICANN Region



Next Steps

Results included in the report have been provided to ICANN’s Contractual Compliance team, which will assess the types of errors found and follow up with registrars on potentially inaccurate records. If WHOIS inaccuracy and/or format complaints are created from the WHOIS ARS data, ICANN Contractual Compliance will issue tickets in accordance with the Contractual Compliance Approach and Process. Compliance provides updates on a quarterly basis, which include updates on WHOIS ARS tickets. In response to ICANN community requests, ICANN now publishes additional metrics on the WHOIS ARS Contractual Compliance Metrics page. ICANN will begin work on the next WHOIS ARS report in July 2017, with a targeted publication date of December 2017.

Source: ICANN

Pharmacy Chain Boots Terminates Its New TLD .boots

“Boots becomes latest company to terminate new gTLD but other ‘.brands’ go full steam ahead.” Trevor Little reporting in World Trademark Review: “Pharmacy chain Boots has become the latest company to signal an intention to terminate a Registry Agreement (RA), this time for the ‘.boots’ TLD. Others that have previously decided against proceeding with ‘.brand’ applications including South Korean industrial conglomerate Doosan, publisher Guardian News & Media and cosmetics giant L’Oreal. While a negative development for the new gTLD programme, it should not be viewed as an indicator that ‘.brands’ are losing their lustre — on the contrary, the rollout of branded spaces shows no sign of slowing.”

Source; CircleId

Please feel free to contact us at:
info@tag-domains.com
Tel.: +962 6 5100 900 ext.1625
Fax: +962 6 5100 901