

STATE OF THE DOMAIN™

Benchmark Edition

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Publisher & Managing Editor

Mason Cole
publisher@sotd.info

Editorial Staff

Cameron Powell
Raymond King

Contributing Editors

Ron Wiener

Technology, Data Management & Analysis

Len Bayles
Denney Cole
Polly Hodson

Production

Katie Paries

Contact

Tel: 800-790-SOTD (7683)
Fax: 503-274-9749
Email: publisher@sotd.info

State of the Domain is a monthly publication of SnapNames.com, Inc.

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SnapNames compiles data in the public domain in order to present information on industry trends.

The editors assume that readers are already familiar with the industry and its terminology—for readers who are not, we recommend the www.ICANN.org site as a starting point for definitive historical documents and technical resources.

SnapNames does not warrant the accuracy of information in this document. Please read further disclaimers and information on our methodology within.

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Message from the Publisher

Preparations continue for ICANN's meetings in Bucharest in late June, where VeriSign's Wait-Listing Service (WLS) is on the board's agenda. To give fair hearing to the point of view of the Internet end-user (the person we're all in business to serve), we're re-running the popular "A Day in the Life of Ivan Domainovich," Cameron Powell's literate representation of what it's like out there for the average Ivan who wants a domain name. (The article was a hit on Capitol Hill last week, as well.) It's accompanied by a primer on the current deleting names status quo and why it's foolish to believe this is a reasonable "business model" that can adequately serve end-users.

On the numbers side, we provide this month the usual statistical representation of the direction of the industry, including US ccTLD names this month — you'll read in our analysis that the platform of COM, NET and ORG names continues to be volatile, with names flowing in and out of registrars in an increasingly competitive fight for customers. And this month, for the first time, there are changes in the BIZ and INFO market share numbers, due to NeuLevel's April placement of .BIZ names on registry hold, transfers among registrars, and other factors steadily coming into play.

A note on our conference, scheduled for July 22-23: We've elected to postpone, primarily because the content of the conference, designed early this year, was becoming too far out of step with the current character of the industry. When we began to discuss the conference in detail with prospective attendees, we heard that the investment focus would have been informative, but they were interested in data and insight into product development and previews of value-add services from the industry.

We're looking at dates later in the year when we can reconfigure the event for maximum benefit to everyone. It was a difficult decision but, gratifyingly, it has been applauded by our panelists, sponsors, and attendees. If you have thoughts on the conference, we would appreciate hearing them.

A product note for our brand management and IP audience: You'll want to have a look at NameRecover, our powerful new FREE search tool that helps you identify a universe of soon-to-delete or available trademark- and keyword-related names to register or back-order through SnapBack. It's available this Monday, June 3, at www.snapnames.com.

Thanks again for your readership. Your questions and comments are invited, as always, at the publisher e-mail address, or toll-free at 1-800-790-SOTD (7683).

Regards,

Mason Cole
Publisher

WWW.SOTD.INFO

April 2002 Market Overview

Therapy for Domain Names

by **Ron Wiener**, Contributing Editor

Physicians will tell you that, sometimes, the best therapies for long-term health involve short-term discomfort. For seven months now the CNO (COM, NET, ORG) zone file has been going through a prescribed shock treatment — to flush out millions of names that were either given away for free (the so-called "promotional" names) or driven by overly exuberant speculative activity over the past couple of years.

Based on statistical analysis as well as public statements of VeriSign and other registrars, this therapy course probably has two quarters to go before the patient can be considered cured. April was a particularly painful month: the CNO zone file contracted further by a net 600,000 names. Excruciating as these large batch deletions have been, the patient is showing early signs of stabilization. Q1 2002 was the first quarter in seven to experience an increase in new registrations (remember, zone file readings are a measure of net new registrations, after adjusting for non-renewals), along with improvements in renewal rates for many registrars.

As our regular readers know, most of the junk-grade names were held by VeriSign Registrar, and to a lesser degree Register.com, but most all registrars who have been operational for more than a couple of years have suffered their share of low renewal rates on speculative and/or promotional registrations. During the land-grab phase of the market, most registrars were concerned strictly with having the biggest possible base of registrants (the contest of "eyeballs"). While a few business models thrived on such webonomics, most have failed to do so. VeriSign Registrar says outright it is abandoning the speculator market for more stable, lucrative customers — and while its market share of new registrations has shrunk to about 20%, its market share of dollars spent on domain names is a hefty 40%. According to a recent study by Harvard Law School's Berkman Center for Internet & Society, VeriSign owns a super-dominant 83% market share of Fortune 1000 domain name registrations, providing some statistical corroboration (see <http://cyber.law.harvard.edu/people/edelman/fortune-registrars>). To each his own niche, as best they are able to mine it.

A question we receive repeatedly about the Q1 zone file changes is, "How much of the zone file losses were from promotional names?" The marker cell here is the ratio of COM names deleted versus the ratio of NET and ORG names deleted — since most of the promotional giveaway names were of the NET and ORG variety. As readers may recall, in Q4, 2001, when the first batch of promotional names was purged by VeriSign Registrar, the base of COM names shrank by only 2.2%, while the base of NET and ORG shrank by a whopping 11.8%. Clearly this was the effect of promotional names being deleted. In the first four months of 2002, however, COM names shrank by 6% while NET and ORG shrank by 7.4% — a much narrower gap, indicating that promotional names were being gradually shaken out of the system. High abandonment rates in COM also coincided with early fervor for the new gTLDs, as many speculators redirected their funds to invest in the new names.

While it's still a bit early to read the tea leaves with any certainty, May's preliminary figures indicate significant improvement. Not only is the zone file shrinkage very moderate compared to the rate over the past six months (early projections are that May's zone file shrinkage will be less than 200,000 names), but COM names have been shrinking at only about a third of the rate of NET and ORG, indicating that much of VeriSign Registrar's purge in May would have been of promotional names, and reflecting the return of strong new-name registrations in COM. The retreat from

Table 1: Total Registrations per gTLD (April 2002)

gTLD	Registrations		Change Net
	Mar	Apr	
COM	21,907,745	21,437,793	(469,952)
NET	3,770,792	3,676,229	(94,563)
ORG	2,401,094	2,358,634	(42,460)
CNO Total	28,079,631	27,472,656	(606,975)
INFO	777,776	807,680	29,904
BIZ	619,649	640,824	21,175
NAME	68,630	72,370	3,740
Totals	29,545,686	28,993,530	(552,156)

speculator fervor in the new gTLDs and back to COM is also evidenced by this resurgence.

"What's the Prognosis, Doctor?"

Since VeriSign's registrar subsidiaries (the former Network Solutions, NameSecure, NameEngine and SRSplus) together still represent 37% of the CNO base, it's important to understand the dynamics occurring there first. For those who are deeply curious we recommend listening to the archived web-cast of VeriSign's May 9 Analyst Day (links through CCBN at VeriSign.com) to hear it straight from the company's executives. In a nutshell, the company has given Wall Street guidance to expect a further reduction of CNO registration base of 5% to 10% in both Q2 and Q3, before net growth returns. Management discussed in detail the dynamics of additional promotional and speculator names whose anniversaries are coming up and for which low renewal rates are expected.

From the vantage point of being little over halfway through the quarter, it seems that Q2's decline is already at the high end of the predicted potential range, perhaps with the brunt of the impact absorbed early in the quarter. Otherwise, the accuracy of the forecast will rely on a continued resurgence in new name registrations. Indeed, once the mass of promotional and speculator names is flushed out, we should logically see domain name registrations continue to grow organically as internet usage continues to grow. The only question is how much of it will be in COM versus NET, ORG, the other new gTLDs and the ccTLDs.

Registrars who have moved aggressively into offering ccTLD registrations have weathered the impact of the CNO decline with more aplomb. Register.com, for example, experienced healthy growth in all the important metrics — growth in new registrations, deferred revenue, renewal rate and margins — despite losing 17.4% of its CNO registration base over the past six months. To be fair, some of

Register.com's growth in Q1 was through the acquisition of UK-based registrars Virtual Internet and NetSearchers, but the lesson is clear: it is best for a registrar to diversify its product menu by offering registrations in fast-growing ccTLDs such as Germany's (.DE), which has already well surpassed the venerable NET registry in active registrations.

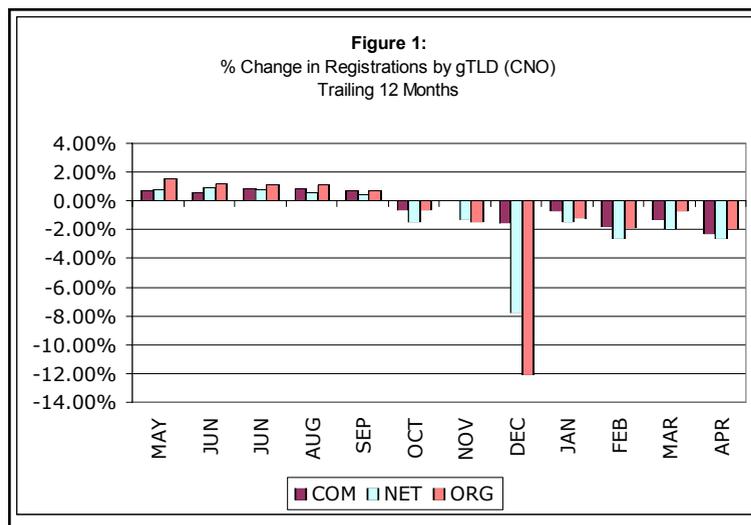
Meanwhile, Elsewhere in the Ward

While numerous ccTLDs are experiencing dramatic growth curves, the new "BIN" (BIZ, INFO and NAME) gTLDs continue to move, albeit slowly. In April, Afiliias' INFO registry led the pack with under 1,000 new names per day, NeuLevel's BIZ grew at about 700 names per day, and GNR's NAME by about 125 names per day.

As we alluded in the March report, GNR has experienced its technical challenges. Good news may be in the offing in that VeriSign Registry (VGRS) has announced that it has made an investment in GNR and will soon be operating the back-end registry system for NAME. We suspect that NAME will see multiples of improvement once this transition to a mature registry platform is completed. We also have word from GNR that significant progress has been made in primary channel research, which they hope will fuel an aggressive marketing push later this summer.

In this issue we report on the new US ccTLD registry for the first time. Pre-registration numbers had looked very healthy, but after duplicate requests had been eliminated and the random assignment completed, only 150,000 names ended up in the zone file by the end of April. Perhaps some of the gap

between forecasted and actual registrations may be due to the lesser need for defensive registrations in the ccTLD, since only US-based registrants can even apply, and therefore U.S. intellectual property protections will be easier to apply than in the case of any global TLD.



Trends in Domain Name Speculation

New registrations in COM are resurging while registration rates in the other gTLDs continue to ebb. Prior to the introduction of the new gTLDs, certain pundits actually predicted this outcome — that customer confusion and dilution of the myriad new TLD brands will lead to "TLD fatigue" and a consequent strengthening of the COM brand. Most speculators are still more interested in COM names than any other, and secondary market activity continues to get more and more heated every month as new registrar accreditations continue to be activated solely for the value to speculators of their bulk pool connections (for deleting names only) to the registry (with which deleting names are captured). If you thought all customers were created equal in their access to the registry, think again.

With the closure of RealNames, multilingual (ML) names will no longer temporarily route through Microsoft IE browsers. ML registrants will need to wait for the new standards to be established and take effect before their names will be usable (see current info on standards setting at www.ietf.org). Since a huge portion of the 1.1 million ML names were purchased preemptively by speculators at a time when the land grab frenzy was *de rigueur*, there is genuine concern that most of these names will not renew. Fortunately, the names were removed from the zone files some time ago, but the TLD fatigue may extend to ML names when they get re-launched. Growth in ML domain names will likely be organic and scale with growth in global internet usage.

The U.S. House of Representatives is currently considering a bill that will criminalize deliberately providing false contact information in a domain name registration record. This bill is being promoted to benefit cybercrimes prosecution, and is not meant as a regulatory measure to force registrars or registries to comply with their ICANN contractual obligations to maintain accurate registration records. Nevertheless many speculators — not necessarily criminals — prefer to keep a low profile when it comes to their domain registration records, providing partial or fictitious information instead of their real identities. If the bill passes, such a seemingly innocuous act would technically violate a U.S. federal statute — even if the registrant never does anything to enter the focus of a criminal investigation.

What would passage of the proposed legislation mean for registrars? ICANN has already put out a clarification note on May 10 reinforcing the contractual obligations registrars have to investigate reports of potentially bad registration data and to delete records not cleaned up within the allotted 15-day period. But U.S.-based registrars are likely to see a more direct financial impact from this bill, if it passes. Speculators that may have no criminal intent but do not wish to disclose their identities may have no choice but to move their registrations from a U.S.-based registrar to a foreign-based one. Otherwise they might run the risk that anyone who would like to steal the name can simply report the fictitious record to the registrar of record (assuming it is U.S.-based, where the law would apply) and the registrant would then be faced with the choice of disclosing his true identities or losing the name. He wouldn't even get a refund.

April 2002 Market Overview

Several upsets were recorded in April, much as we predicted in the March edition. Most notable was the overtaking of BulkRegister by MelbourneIT, making the Australian company the new #4. Nosing into the top ten was DirectNIC, causing Dotster to slide back to #11 (from a #8 position one year ago). Though it didn't quite happen in CNOBIN, looking at only CNO figures GoDaddy overtook eNom's position as #6 (the two are only 8,000 names apart in CNOBIN, so if trend lines continue, expect the shift to take place there as well in May).

eNom is still looking strong compared to its #9 position one year ago, but upstart GoDaddy had moved from #47 to #22 that same month of April 2000, hitting everyone's radar screen and maintaining a bright blip all along. Other fast gainers this past month included Tucows (which recently became the #2 registrar in CNO as well as CNOBIN, bucking Register.com down to #3), OnLineNIC, Schlund, ItsYourDomain and TotalNIC.

After all the horse jockeying within the top ten over the past few months we expect that the top seven — of which the top four are publicly traded companies — to remain locked in position for some time, while the bottom three remain TBD for a little while longer.

On the south end of the gainers chart, VeriSign Registrar (formerly Network Solutions) lost approximately 900,000 names, as well as about 39,000 from its NameSecure division in April. This was offset only slightly by a gain of about 6,300 names from their NameEngine and SRSPlus divisions. Keeping with recent trend lines, BulkRegister, CoreNIC and Register.com also experienced significant losses in CNO/CNOBIN shares in April.

The number of active registrars has grown 50% over the past year, from 81 to 122, primarily due to new entrants in BIN and US markets. Noteworthy is that many of the newest registrars have activated their accreditations strictly to deploy their Bulk Pool SRS connections for the capture of secondary CNO (deleting) names on the behalf of select speculator customers or their own name investment activities. Their captures are often transferred to other larger registrars each month and so they tend not to accrete appreciable numbers of registrations themselves. The top ten CNOBIN registrars represented 78.6% of total registrations. Five registrars experienced growth in market share for every one that declined in April, slightly worse than the 9-in-10 last year, but again, these ratios are skewed by the secondary market-focused registrars.

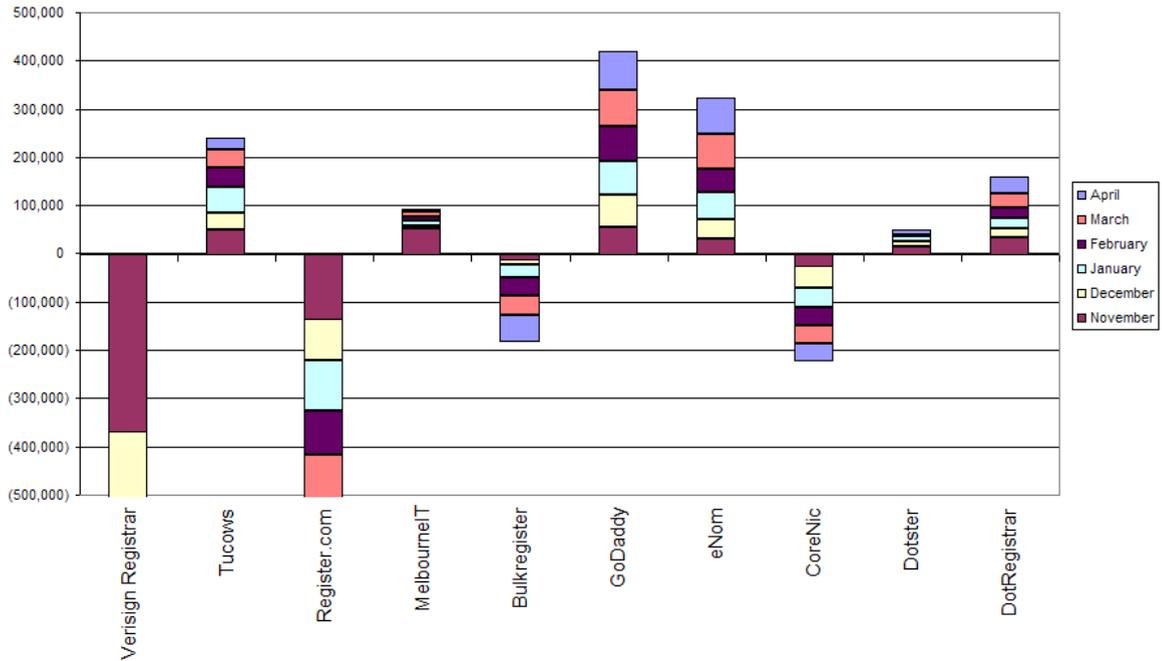
BIN

The only noteworthy comment on BIZ and INFO this month is that the large numbers of registrars you see with declining registrations is due to the actions these registries have taken to rescind domain names that were purchased by people who later proved not to be the rightful trademark holders. We expect many of these names will be redistributed (going to their rightful owners for the most part) over the coming months.

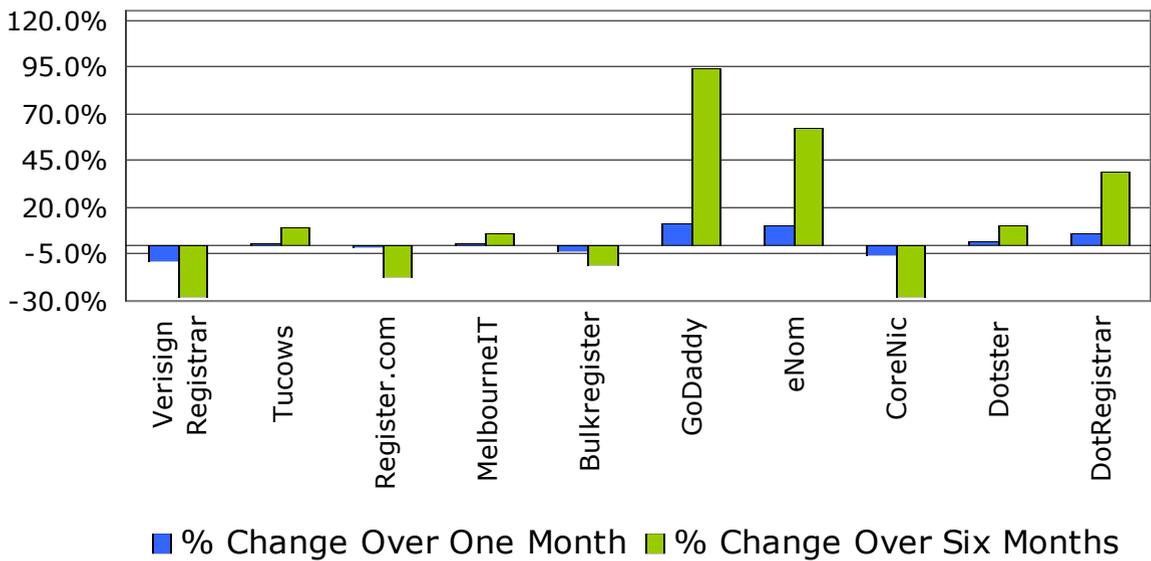
Table 2: Top 10 Registrars Net Gain/Loss In Total Registrations (CNO / November 2001 - April 2002)

Company	Nov	Dec	Jan	Feb	Mar	Apr	Aggregate	Nov Total	Apr Total	% Change
Verisign Registrar	(369,284)	(1,287,888)	(483,670)	(77,194)	(622,269)	(903,953)	(3,744,258)	13,440,003	10,065,029	-27.9%
Tucows	48,332	35,295	53,363	40,939	36,723	25,648	240,300	2,596,597	2,788,565	9.3%
Register.com	(135,622)	(85,566)	(105,745)	(90,123)	(92,008)	(34,674)	(543,738)	3,129,214	2,721,098	-17.4%
MelbourneIT	52,546	4,105	11,558	9,507	8,169	7,245	93,130	1,424,946	1,465,530	6.5%
Bulkregister	(11,351)	(11,062)	(25,857)	(39,593)	(40,293)	(56,709)	(184,865)	1,630,359	1,456,845	-11.3%
GoDaddy	55,487	66,682	70,272	71,949	75,923	80,247	420,560	448,232	813,305	93.8%
eNom	31,260	40,494	55,954	47,772	73,139	75,756	324,375	520,170	813,285	62.4%
CoreNic	(25,552)	(44,605)	(41,189)	(38,545)	(37,213)	(35,459)	(222,563)	797,708	600,697	-27.9%
Dotster	14,729	10,405	10,054	3,675	(534)	11,474	49,803	501,343	536,417	9.9%
DotRegistrar	33,279	18,463	20,985	23,089	29,725	33,000	158,541	406,704	531,966	39.0%
Totals	(306,176)	(1,253,677)	(434,275)	(48,524)	(568,638)	(797,425)	(3,408,715)	24,895,276	21,792,737	-13.7%
Volatility Analysis										
	Nov	Dec	Jan	Feb	Mar	Apr				
CNO Zone File Count	30,307,916	29,271,104	29,027,122	28,451,771	28,079,631	27,472,656		30,307,916	27,472,656	-10.7%
Change in CNO Zone File	(263,296)	(1,036,812)	(243,982)	(575,351)	(372,140)	(606,975)			(2,835,260)	

**Figure 1: Top Ten Registrars
Net New Registrations Nov '01-Apr '02**



**Figure 2: CNO Top 10 Registrars'
% Gain/Loss in Net Registrations
Nov '01 - Apr '02**



US

The US ccTLD registry wound up with about 150,000 names by the end of April, the first month of open registrations (includes pre-registration purchases). US sales were pushed into the marketplace through 64 accredited registrars. The surprise leader in US registrations was GoDaddy, with Register.com and eNom following behind as #2 and #3, respectively.

Not surprisingly, foreign registrar powerhouses such as Tucows and MelbourneIT (#7 and #22, respectively) did not rank very high in US name registrations, though Canadian registrar NameScout came in a surprising #8 (NameScout is #44 in CNOBIN ranking), believed to be due to an innovative pre-registration marketing campaign. VeriSign Registrar ranked #17. Many well-known foreign registrars (e.g., Schlund.de), chose not to enter the fray at all.

Unlike other ccTLDs, US is not likely to scale to the size of the United States' internet economy, since COM and even NET and ORG have for so long been deemed by many as "American" TLDs. Despite a surge in patriotism in the United States at present, many internet companies — and even old-line companies that have an internet presence — wish to be perceived as global players (or at least international) and not restrict their market to only the 50 states. The US registry should prove to be a fairly easy one to defend trademarks in, and so we don't anticipate a surge in so-called defensive registrations. By next month's edition we should be able to plot a growth trend line, but upon first glance we see no evidence that it should exceed the growth rate of any of the new BIN gTLDs.

Differences in SnapNames' Statistical Reporting Versus Certain Registrars' Reporting

We often receive questions about the differences between how *State of the Domain* reports zone file statistics and how statistics are reported by various private and public companies. While two different sources of data may both be perfectly accurate, nuances in what is being measured is often lost in the technobabble. To attempt to clarify:

The zone file that we measure is the complete directory of names that are paid-up and "active." What we do not include in our figures are names that are on "registrar hold" (often for non-payment or by court order, or because they are in a

de-activated grace period state, or for a host of other reasons). This superset of the zone file data is referred to by some as the "Whois" file. Because only the registrar that put a name on hold can determine exactly why it is on hold, or even easily know that the name exists in this suspended state in the first place, we do not report on these names. Another reason we do not report these names is that they generally do not represent paying customers, or customers likely to renew their registrations in any event.

A zone file exists for each TLD. We tend to group the original gTLDs — COM, NET and ORG — together in "CNO" zone file totals, but show the new gTLDs — BIZ, INFO and NAME — in discrete reports. US also is reported separately because it is a ccTLD; ccTLDs are not ICANN-governed registries, and accordingly have varying methods of zone file access. (SnapNames endeavors to add important ccTLD data gradually in future issues.)

For additional information on our measurement techniques please refer to the Methodologies section on the final page of this document.

Ron Wiener is co-founder and the former Chairman and CEO of SnapNames, and remains a regular contributor to the State of the Domain. He has recently launched a consulting practice focusing primarily on growth and M&A strategies for clients in the domain name industry, and can be reached directly at ronw@venturemechanics.com.

April 2002 - CNO - Registrar Market Shares

Company	Rank		Market Share		Registrations		Change Net
	Mar	Apr	Mar	Apr	Mar	Apr	
Verisign Registrar	1	1	39.09%	36.72%	10,968,982	10,065,029	(903,953)
Tucows	2	2	9.85%	10.17%	2,762,917	2,788,565	25,648
Register.com	3	3	9.82%	9.93%	2,755,772	2,721,098	(34,674)
MelbourneIT	5	4	5.20%	5.35%	1,458,285	1,465,530	7,245
Bulkregister	4	5	5.39%	5.32%	1,513,554	1,456,845	(56,709)
GoDaddy	7	6	2.61%	2.97%	733,058	813,305	80,247
eNom	6	7	2.63%	2.97%	737,529	813,285	75,756
CoreNic	8	8	2.27%	2.19%	636,156	600,697	(35,459)
Dotster	9	9	1.87%	1.96%	524,943	536,417	11,474
DotRegistrar	10	10	1.78%	1.94%	498,966	531,966	33,000
DirectNIC.com	11	11	1.73%	1.88%	485,015	514,611	29,596
Schlund.de	12	12	1.69%	1.79%	474,731	489,674	14,943
Joker.com	13	13	1.48%	1.54%	416,181	421,689	5,508
Domain Discover	14	14	1.34%	1.40%	375,262	385,014	9,752
GANDI	15	15	1.12%	1.17%	313,340	320,261	6,921
ItsYourDomain	17	16	0.87%	0.94%	243,460	256,494	13,034
EasySpace	16	17	0.93%	0.87%	262,198	237,126	(25,072)
Domain Bank	19	18	0.79%	0.77%	222,062	212,113	(9,949)
NameSecure	18	19	0.80%	0.67%	223,654	184,117	(39,537)
OnlineNIC	21	20	0.57%	0.66%	160,305	179,919	19,614
Stargate	20	21	0.59%	0.64%	166,675	174,951	8,276
DomainPeople	22	22	0.47%	0.48%	130,943	131,940	997
Discount Domain	23	23	0.46%	0.48%	128,655	130,239	1,584
YesNIC	24	24	0.43%	0.46%	120,935	125,774	4,839
Names4Ever	25	25	0.42%	0.42%	117,361	115,738	(1,623)
NamesDirect	26	26	0.35%	0.39%	98,718	106,083	7,365
IARegistry	28	27	0.34%	0.37%	96,150	100,826	4,676
Paycenter	29	28	0.33%	0.37%	92,887	100,725	7,838
AIT Domains.com	27	29	0.35%	0.35%	97,549	96,147	(1,402)
GKG.net	30	30	0.29%	0.30%	80,697	83,368	2,671
Alldomains.com	33	31	0.25%	0.30%	69,214	80,931	11,717
Ascio	31	32	0.28%	0.29%	77,489	80,202	2,713
Doregi	32	33	0.27%	0.28%	76,402	75,753	(649)
Name7.com	34	34	0.24%	0.26%	67,848	72,293	4,445
Nordnet	35	35	0.21%	0.23%	60,114	63,943	3,829
EPAG Enter-Price Multimedia AG	36	36	0.21%	0.22%	57,975	60,733	2,758
Active ISP	38	37	0.18%	0.19%	49,766	52,272	2,506
Netpia	37	38	0.18%	0.18%	51,408	50,507	(901)
dotearth	39	39	0.16%	0.16%	45,115	44,303	(812)
Tmagnic.net	40	40	0.14%	0.16%	40,621	43,626	3,005
TotalNIC	46	41	0.10%	0.16%	28,299	43,328	15,029
Awregistry	41	42	0.13%	0.13%	36,159	35,766	(393)
Interdomain	42	43	0.12%	0.12%	32,590	33,017	427
Parava.net	44	44	0.10%	0.11%	29,234	30,519	1,285
Namescout	48	45	0.10%	0.11%	26,718	30,023	3,305
SignatureDomains	43	46	0.11%	0.11%	31,521	29,858	(1,663)
PSI-Japan	45	47	0.10%	0.11%	28,833	28,910	77
TotalRegistrations	49	48	0.09%	0.10%	25,872	28,143	2,271
Namebay	51	49	0.09%	0.10%	24,928	27,697	2,769
DomainInfo	47	50	0.10%	0.10%	27,847	27,465	(382)
Catalog.com	50	51	0.09%	0.10%	24,954	26,315	1,361

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NetNames	53	52	0.08%	0.09%	22,098	23,783	1,685
Oleane	52	53	0.08%	0.09%	22,248	23,354	1,106
SRSplus	56	54	0.06%	0.07%	15,714	20,553	4,839
Domainsite.com	54	55	0.06%	0.07%	17,654	19,941	2,287
eNameCo	55	56	0.06%	0.06%	15,766	15,807	41
1stDomain.Net	57	57	0.05%	0.05%	13,160	13,464	304
DomainDiscount24	59	58	0.04%	0.04%	9,880	12,033	2,153
Directl.com	63	59	0.03%	0.04%	8,155	11,728	3,573
DomainRG	58	60	0.04%	0.04%	11,341	11,429	88
DomainZoo	62	61	0.03%	0.04%	8,272	10,232	1,960
Nominate.net	60	62	0.03%	0.03%	9,118	9,506	388
Planet Domain	64	63	0.03%	0.03%	7,806	9,403	1,597
Domini. It	61	64	0.03%	0.03%	8,741	8,790	49
Omnis.com	65	65	0.02%	0.03%	6,915	7,658	743
NameEngine	66	66	0.02%	0.02%	6,346	6,664	318
shop4domain.com	67	67	0.02%	0.02%	6,126	6,439	313
Address Creation	70	68	0.02%	0.02%	5,024	5,862	838
Secura-GmbH	68	69	0.02%	0.02%	5,721	5,583	(138)
BookMyName	69	70	0.02%	0.02%	5,200	5,422	222
Compuserve	72	71	0.01%	0.02%	4,084	5,097	1,013
ID Registry	71	72	0.02%	0.02%	4,359	5,042	683
Registration Technologies	82	73	0.01%	0.02%	1,975	4,689	2,714
Eastcom.com	73	74	0.01%	0.02%	3,999	4,294	295
eMarkmonitor	75	75	0.01%	0.01%	3,144	3,679	535
Globedom	74	76	0.01%	0.01%	3,338	3,499	161
Bluehill.com	77	77	0.01%	0.01%	2,829	3,330	501
MrDomReg.com	76	78	0.01%	0.01%	2,954	3,076	122
123Registration	79	79	0.01%	0.01%	2,385	3,043	658
Namesbeyond.com	86	80	0.00%	0.01%	977	2,629	1,652
Domaindomain.com	78	81	0.01%	0.01%	2,445	2,445	0
InterAccess	80	82	0.01%	0.01%	2,349	2,330	(19)
VirtualInternet	81	83	0.01%	0.01%	2,146	2,153	7
Nominalia	83	84	0.01%	0.01%	1,901	1,902	1
Web Express	84	85	0.01%	0.01%	1,808	1,898	90
RGNames.com	85	86	0.00%	0.00%	1,226	1,341	115
Corporate Domains	87	87	0.00%	0.00%	775	1,010	235
NameSystem	93	88	0.00%	0.00%	149	923	774
eNetRegistry	88	89	0.00%	0.00%	758	750	(8)
#1DomainNamesInternational	90	90	0.00%	0.00%	383	616	233
pAsia	89	91	0.00%	0.00%	600	599	(1)
T-Systems	92	92	0.00%	0.00%	180	371	191
000domains	91	93	0.00%	0.00%	209	248	39
Alice's Registry	94	94	0.00%	0.00%	29	51	22
Topnet	95	95	0.00%	0.00%	19	44	25
Libris.com	98	96	0.00%	0.00%	0	28	28
DomainCity	96	97	0.00%	0.00%	15	16	1
NameTree	97	98	0.00%	0.00%	10	10	0
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Totals	100%	100%	28,060,178	27,407,914	(652,264)		

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April 2002 - CNOBIN - Registrar Market Shares

Company	Rank		Market Share		Registrations		Change
	Mar	Apr	Mar	Apr	Mar	Apr	Net
Venision Registrar	1	1	38.09%	35.78%	11,244,863	10,349,655	(895,208)
Tucows	3	2	9.76%	10.06%	2,880,667	2,909,913	29,246
Register.com	2	3	9.83%	9.92%	2,900,846	2,870,858	(29,988)
MelbourneIT	5	4	5.19%	5.33%	1,531,020	1,542,460	11,440
Bulkregister	4	5	5.29%	5.20%	1,562,198	1,504,053	(58,145)
eNom	6	6	2.67%	3.00%	787,362	867,349	79,987
GoDaddy	7	7	2.62%	2.97%	774,515	859,155	84,640
CoreNic	8	8	2.32%	2.25%	684,519	650,066	(34,453)
Schlund.de	9	9	2.06%	2.17%	608,124	627,595	19,471
DirectNIC.com	11	10	1.80%	1.95%	532,210	562,878	30,668
Dotster	10	11	1.85%	1.93%	546,717	559,282	12,565
DotRegistrar	12	12	1.77%	1.93%	523,643	557,400	33,757
Joker.com	13	13	1.55%	1.61%	457,407	464,529	7,122
Domain Discover	14	14	1.32%	1.39%	390,879	401,173	10,294
GANDI	15	15	1.08%	1.13%	320,046	328,141	8,095
ItsYourDomain	17	16	0.87%	0.94%	255,728	270,778	15,050
EasySpace	16	17	0.93%	0.86%	273,521	248,844	(24,677)
Domain Bank	18	18	0.80%	0.78%	236,084	226,313	(9,771)
NameSecure	19	19	0.78%	0.66%	229,259	190,248	(39,011)
OnlineNIC	21	20	0.56%	0.64%	164,892	184,978	20,086
Stargate	20	21	0.56%	0.60%	166,675	174,951	8,276
DomainPeople	22	22	0.50%	0.51%	146,528	147,810	1,282
YesNIC	24	23	0.46%	0.49%	134,942	140,358	5,416
Discount Domain	23	24	0.46%	0.48%	135,427	137,439	2,012
Ascio	26	25	0.42%	0.44%	122,725	126,483	3,758
Names4Ever	25	26	0.42%	0.41%	123,103	119,445	(3,658)
NamesDirect	27	27	0.34%	0.37%	100,030	106,871	6,841
IARegistry	29	28	0.33%	0.35%	97,016	101,729	4,713
Paycenter	30	29	0.31%	0.35%	92,887	100,725	7,838
AIT Domains.com	28	30	0.34%	0.34%	99,036	97,686	(1,350)
Alldomains.com	32	31	0.27%	0.32%	80,653	92,555	11,902
Name7.com	34	32	0.26%	0.29%	77,870	83,575	5,705
GKG.net	31	33	0.27%	0.29%	80,697	83,368	2,671
Doregi	33	34	0.27%	0.27%	79,877	79,225	(652)
EPAG Enter-Price Multimedia AG	35	35	0.24%	0.25%	70,010	72,681	2,671
Nordnet	36	36	0.22%	0.24%	65,698	69,493	3,795
Netpia	37	37	0.19%	0.19%	56,127	55,356	(771)
Active ISP	38	38	0.17%	0.18%	49,767	52,307	2,540
dotearth	39	39	0.17%	0.17%	49,743	48,729	(1,014)
SRSplus	40	40	0.14%	0.16%	40,643	46,544	5,901
Tmagnic.net	41	41	0.14%	0.15%	40,621	43,626	3,005
TotalNIC	52	42	0.10%	0.15%	28,326	43,365	15,039
TotalRegistrations	44	43	0.12%	0.13%	35,275	37,834	2,559
Namescout	46	44	0.11%	0.13%	33,597	37,094	3,497
DomainInfo	43	45	0.12%	0.13%	36,430	36,245	(185)
Awregistry	42	46	0.12%	0.12%	36,471	36,124	(347)
Interdomain	45	47	0.11%	0.12%	33,598	34,088	490
Parava.net	48	48	0.11%	0.12%	32,677	33,944	1,267
Namebay	50	49	0.10%	0.11%	30,240	33,160	2,920
NetNames	49	50	0.10%	0.11%	30,383	32,286	1,903
SignatureDomains	47	51	0.11%	0.11%	32,801	31,167	(1,634)
PSI-Japan	51	52	0.10%	0.10%	30,021	30,106	85
DomainDiscount24	53	53	0.09%	0.10%	26,646	29,147	2,501
Catalog.com	54	54	0.09%	0.10%	26,437	27,893	1,456
Oleane	56	55	0.08%	0.08%	22,248	23,354	1,106
eNameCo	55	56	0.08%	0.07%	22,917	20,780	(2,137)
1stDomain.Net	57	57	0.07%	0.07%	20,424	20,536	112
Domainsite.com	59	58	0.06%	0.07%	17,654	19,941	2,287
VirtualInternet	58	59	0.06%	0.06%	17,882	17,976	94
Misc	75	60	0.02%	0.05%	5,353	15,032	9,679

STATE OF THE DOMAIN™

Benchmark Edition

April 2002

Directl.com	64	61	0.03%	0.05%	10,034	13,719	3,685
Secura-GmbH	60	62	0.04%	0.04%	12,526	12,512	(14)
DomainRG	61	63	0.04%	0.04%	11,791	11,884	93
DomainZoo	65	64	0.03%	0.04%	9,371	11,336	1,965
NameEngine	62	65	0.04%	0.04%	10,411	10,775	364
Nominate.net	63	66	0.03%	0.04%	10,073	10,458	385
Planet Domain	68	67	0.03%	0.03%	7,806	9,403	1,597
Domini. It	66	68	0.03%	0.03%	8,741	8,790	49
Omnis.com	70	69	0.02%	0.03%	7,120	7,903	783
Nominalia	69	70	0.02%	0.03%	7,288	7,551	263
Globedom	71	71	0.02%	0.03%	7,109	7,346	237
Registration Technologies	79	72	0.01%	0.02%	4,231	6,927	2,696
eMarkonitor	72	73	0.02%	0.02%	6,358	6,879	521
BookMyName	67	74	0.03%	0.02%	8,638	6,865	(1,773)
shop4domain.com	73	75	0.02%	0.02%	6,126	6,439	313
ID Registry	74	76	0.02%	0.02%	5,963	6,331	368
Address Creation	76	77	0.02%	0.02%	5,323	6,202	879
123Registration	77	78	0.02%	0.02%	4,671	5,322	651
Compuserve	81	79	0.01%	0.02%	4,084	5,097	1,013
Corporate Domains	78	80	0.02%	0.02%	4,606	4,871	265
Bluehill.com	80	81	0.01%	0.02%	4,191	4,680	489
Eastcom.com	82	82	0.01%	0.01%	3,999	4,294	295
000domains	83	83	0.01%	0.01%	3,021	3,215	194
MrDomReg.com	84	84	0.01%	0.01%	2,954	3,076	122
Cronon	87	85	0.01%	0.01%	2,407	2,959	552
Namesbeyond.com	93	86	0.00%	0.01%	977	2,629	1,652
RGNames.com	85	87	0.01%	0.01%	2,528	2,606	78
#1DomainNamesInternational	89	88	0.01%	0.01%	2,334	2,581	247
Domaindomain.com	86	89	0.01%	0.01%	2,445	2,445	0
InterAccess	88	90	0.01%	0.01%	2,349	2,330	(19)
Web Express	90	91	0.01%	0.01%	1,808	1,898	90
RegistrarsAsia.com	91	92	0.00%	0.00%	1,216	1,240	24
NameSystem	107	93	0.00%	0.00%	149	923	774
Global Media OnLine. Inc.	99	94	0.00%	0.00%	530	862	332
007Names	92	95	0.00%	0.00%	994	837	(157)
Galcomm	94	96	0.00%	0.00%	825	809	(16)
eNetRegistry	96	97	0.00%	0.00%	758	750	(8)
pAsia	97	98	0.00%	0.00%	600	599	(1)
AAAQ.com	98	99	0.00%	0.00%	533	516	(17)
ChinaDNS	101	100	0.00%	0.00%	433	396	(37)
NameZero	95	101	0.00%	0.00%	787	381	(406)
T-Systems	105	102	0.00%	0.00%	180	371	191
Alice's Registry	102	103	0.00%	0.00%	341	343	2
Intermetters	103	104	0.00%	0.00%	318	340	22
DomainProcessor.com	100	105	0.00%	0.00%	493	296	(197)
BestRegistrar	104	106	0.00%	0.00%	265	287	22
PhillipineRegistry	106	107	0.00%	0.00%	176	109	(67)
DomainPro, Inc.	108	108	0.00%	0.00%	105	108	3
Global Name Registry	110	109	0.00%	0.00%	62	67	5
Bondi, LLC	109	110	0.00%	0.00%	65	65	0
Sitename.com	111	111	0.00%	0.00%	56	48	(8)
Topnet	115	112	0.00%	0.00%	19	44	25
Transpac	113	112	0.00%	0.00%	24	44	20
NetSearchers, Int.	112	114	0.00%	0.00%	31	42	11
Libris.com	121	115	0.00%	0.00%	0	28	28
Intermetters, Ltd	119	116	0.00%	0.00%	4	24	20
DomainCity	116	117	0.00%	0.00%	15	16	1
NameTree	117	118	0.00%	0.00%	10	10	0
RegistryRegistrar	118	119	0.00%	0.00%	7	8	1
Capital Networks Pty Ltd.	121	120	0.00%	0.00%	0	4	4
Harleyzo-USA	120	121	0.00%	0.00%	1	2	1
Dor034	114	122	0.00%	0.00%	21	0	(21)
Totals	100%	100%	29,524,256	28,925,588	(598,668)		

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April 2002 CNOBIN Registrar Market Share Gains & Losses

Company	Change Percent	Change Net			
GoDaddy	0.29%	84,640	000domains	0.00%	194
eNom	0.27%	79,987	T-Systems	0.00%	191
DotRegistrar	0.11%	33,757	MrDomReg.com	0.00%	122
DirectNIC.com	0.10%	30,668	1stDomain.Net	0.00%	112
Tucows	0.10%	29,246	VirtualInternet	0.00%	94
OnlineNIC	0.07%	20,086	DomainRG	0.00%	93
Schlund.de	0.07%	19,471	Web Express	0.00%	90
ItsYourDomain	0.05%	15,050	PSI-Japan	0.00%	85
TotalNIC	0.05%	15,039	RGNAMES.com	0.00%	78
Dotster	0.04%	12,565	Domini. It	0.00%	49
Alldomains.com	0.04%	11,902	Libris.com	0.00%	28
MelbourneIT	0.04%	11,440	Topnet	0.00%	25
Domain Discover	0.03%	10,294	RegistrarsAsia.com	0.00%	24
Misc	0.03%	9,679	Internetters	0.00%	22
Stargate	0.03%	8,276	BestRegistrar	0.00%	22
GANDI	0.03%	8,095	Transpac	0.00%	20
Paycenter	0.03%	7,838	Internetters, Ltd	0.00%	20
Joker.com	0.02%	7,122	NetSearchers, Int.	0.00%	11
NamesDirect	0.02%	6,841	Global Name Registry	0.00%	5
SRSplus	0.02%	5,901	Capital Networks Pty Ltd.	0.00%	4
Name7.com	0.02%	5,705	DomainPro, Inc.	0.00%	3
YesNIC	0.02%	5,416	Alice's Registry	0.00%	2
IARegistry	0.02%	4,713	DomainCity	0.00%	1
Nordnet	0.01%	3,795	RegistryRegistrar	0.00%	1
Ascio	0.01%	3,758	Harleyzo-USA	0.00%	1
DirectI.com	0.01%	3,685	Domaindomain.com	0.00%	0
Namescout	0.01%	3,497	Bondi, LLC	0.00%	0
Tmagnic.net	0.01%	3,005	NameTree	0.00%	0
Namebay	0.01%	2,920	pAsia	0.00%	(1)
Registration Technologies	0.01%	2,696	eNetRegistry	0.00%	(8)
GKG.net	0.01%	2,671	Sitename.com	0.00%	(8)
EPAG Enter-Price Multimedia AG	0.01%	2,671	Secura-GmbH	0.00%	(14)
TotalRegistrations	0.01%	2,559	Galcomm	0.00%	(16)
Active ISP	0.01%	2,540	AAAQ.com	0.00%	(17)
DomainDiscount24	0.01%	2,501	InterAccess	0.00%	(19)
Domainsite.com	0.01%	2,287	Dor034	0.00%	(21)
Discount Domain	0.01%	2,012	ChinaDNS	0.00%	(37)
DomainZoo	0.01%	1,965	PhillipineRegistry	0.00%	(67)
NetNames	0.01%	1,903	007Names	0.00%	(157)
Namesbeyond.com	0.01%	1,652	DomainInfo	0.00%	(185)
Planet Domain	0.01%	1,597	DomainProcessor.com	0.00%	(197)
Catalog.com	0.00%	1,456	Awregistry	0.00%	(347)
DomainPeople	0.00%	1,282	NameZero	0.00%	(406)
Parava.net	0.00%	1,267	Doregi	0.00%	(652)
Oleane	0.00%	1,106	Netpia	0.00%	(771)
Compuserve	0.00%	1,013	dotearth	0.00%	(1,014)
Address Creation	0.00%	879	AIT Domains.com	0.00%	(1,350)
Omnis.com	0.00%	783	SignatureDomains	-0.01%	(1,634)
NameSystem	0.00%	774	BookMyName	-0.01%	(1,773)
123Registration	0.00%	651	eNameCo	-0.01%	(2,137)
Cronon	0.00%	552	Names4Ever	-0.01%	(3,658)
eMarkmonitor	0.00%	521	Domain Bank	-0.03%	(9,771)
Interdomain	0.00%	490	EasySpace	-0.08%	(24,677)
Bluehill.com	0.00%	489	Register.com	-0.10%	(29,988)
Nominate.net	0.00%	385	CoreNic	-0.12%	(34,453)
ID Registry	0.00%	368	NameSecure	-0.13%	(39,011)
NameEngine	0.00%	364	Bulkregister	-0.20%	(58,145)
Global Media OnLine, Inc.	0.00%	332	Verisign Registrar	-3.03%	(895,208)
shop4domain.com	0.00%	313			
Eastcom.com	0.00%	295			
Corporate Domains	0.00%	265			
Nominalia	0.00%	263			
#1DomainNamesInternational	0.00%	247			
Globedom	0.00%	237			
000domains	0.00%	194			
			Total	-2.03%	(598,668)

April 2002 - BIZ - Registrar Market Shares

Company	Rank		Market Share		Registrations		Change Net
	Mar	Apr	Mar	Apr	Mar	Apr	
Verisign Registrar	1	1	22.09%	22.14%	136,715	141,567	4,852
Register.com	2	2	10.78%	10.83%	66,705	69,222	2,517
Tucows	3	3	8.02%	8.22%	49,631	52,586	2,955
MelbourneIT	4	4	5.75%	5.89%	35,561	37,684	2,123
Schlund.de	5	5	4.75%	4.85%	29,361	31,033	1,672
eNom	7	6	3.80%	4.02%	23,510	25,706	2,196
Bulkregister	6	7	3.80%	3.48%	23,526	22,236	(1,290)
DotRegistrar	8	8	3.26%	3.22%	20,171	20,584	413
GoDaddy	9	9	2.91%	3.19%	18,008	20,390	2,382
DirectNIC.com	10	10	2.79%	2.79%	17,294	17,838	544
CoreNic	11	11	2.27%	2.30%	14,067	14,699	632
Joker.com	13	12	2.17%	2.22%	13,420	14,201	781
Ascio	12	13	2.19%	2.21%	13,569	14,100	531
Dotster	14	14	1.89%	1.93%	11,689	12,310	621
SRSplus	15	15	1.82%	1.84%	11,272	11,762	490
YesNIC	18	16	1.33%	1.38%	8,247	8,848	601
Domain Discover	16	17	1.38%	1.37%	8,536	8,786	250
VirtualInternet	17	18	1.37%	1.35%	8,499	8,648	149
Name7.com	19	19	1.02%	1.14%	6,311	7,282	971
DomainDiscount24	20	20	1.00%	0.98%	6,218	6,263	45
ItsYourDomain	23	21	0.78%	0.89%	4,832	5,683	851
DomainPeople	21	22	0.86%	0.86%	5,325	5,495	170
Domain Bank	22	23	0.80%	0.80%	4,957	5,143	186
EasySpace	24	24	0.68%	0.70%	4,218	4,490	272
NetNames	26	25	0.65%	0.65%	3,996	4,180	184
Alldomains.com	27	26	0.64%	0.64%	3,970	4,068	98
DomainInfo	28	27	0.63%	0.63%	3,895	4,007	112
Corporate Domains	30	28	0.58%	0.56%	3,569	3,599	30
Netpia	31	29	0.51%	0.51%	3,176	3,272	96
1stDomain.Net	33	30	0.48%	0.44%	2,958	2,842	(116)
NameSecure	40	31	0.37%	0.44%	2,302	2,822	520
Namescout	34	32	0.43%	0.43%	2,659	2,733	74
OnlineNIC	36	33	0.40%	0.42%	2,478	2,710	232
Discount Domain	37	34	0.40%	0.41%	2,467	2,624	157
Namebay	35	35	0.41%	0.41%	2,509	2,600	91
TotalRegistrations	39	36	0.39%	0.40%	2,414	2,547	133
Nominalia	38	37	0.39%	0.40%	2,421	2,531	110
Secura-GmbH	41	38	0.37%	0.36%	2,263	2,314	51
Doregi	42	39	0.35%	0.33%	2,150	2,096	(54)
Nordnet	43	40	0.33%	0.32%	2,038	2,068	30
eNameCo	25	41	0.67%	0.30%	4,168	1,949	(2,219)
NameEngine	44	42	0.28%	0.28%	1,744	1,822	78
000domains	45	43	0.27%	0.27%	1,690	1,749	59
Names4Ever	29	44	0.62%	0.27%	3,843	1,713	(2,130)
eMarkmonitor	46	45	0.23%	0.23%	1,423	1,472	49
Parava.net	47	46	0.20%	0.19%	1,240	1,185	(55)
BookMyName	32	47	0.51%	0.17%	3,172	1,108	(2,064)
Directl.com	49	48	0.16%	0.16%	980	1,042	62
123Registration	48	49	0.17%	0.16%	1,044	1,026	(18)
Catalog.com	50	50	0.15%	0.15%	940	982	42
Cronon	52	51	0.13%	0.15%	810	965	155

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<i>IARegistry</i>	51	52	0.14%	0.14%	866	903	37
<i>Bluehill.com</i>	53	53	0.13%	0.12%	784	775	(9)
<i>RegistrarsAsia.com</i>	54	54	0.11%	0.11%	707	721	14
<i>#1DomainNamesInternational</i>	55	55	0.11%	0.11%	690	699	9
<i>AIT Domains.com</i>	57	56	0.10%	0.10%	592	634	42
<i>GANDI</i>	85	57	0.00%	0.10%	0	621	621
<i>Nominate.net</i>	59	58	0.09%	0.09%	569	562	(7)
<i>RGNames.com</i>	60	59	0.09%	0.08%	529	539	10
<i>Galcomm</i>	61	60	0.08%	0.08%	516	518	2
<i>Registration Technologies</i>	61	61	0.08%	0.08%	516	498	(18)
<i>SignatureDomains</i>	64	62	0.07%	0.07%	444	455	11
<i>PSI-Japan</i>	66	63	0.07%	0.07%	429	445	16
<i>DomainRG</i>	67	64	0.07%	0.07%	425	433	8
<i>Interdomain</i>	68	64	0.07%	0.07%	412	433	21
<i>007Names</i>	58	66	0.09%	0.07%	572	422	(150)
<i>ChinaDNS</i>	65	67	0.07%	0.06%	433	396	(37)
<i>dotearth</i>	56	68	0.10%	0.06%	595	382	(213)
<i>ID Registry</i>	63	69	0.08%	0.04%	501	272	(229)
<i>Internetters</i>	71	70	0.03%	0.03%	156	175	19
<i>Address Creation</i>	72	71	0.02%	0.02%	131	157	26
<i>PhillipineRegistry</i>	70	72	0.03%	0.02%	176	109	(67)
<i>Globedom</i>	74	73	0.01%	0.02%	77	103	26
<i>Awregistry</i>	76	74	0.01%	0.02%	74	102	28
<i>Omnis.com</i>	73	75	0.01%	0.01%	78	95	17
<i>DomainProcessor.com</i>	69	76	0.05%	0.01%	289	86	(203)
<i>Alice's Registry</i>	75	77	0.01%	0.01%	75	81	6
<i>Bondi, LLC</i>	77	78	0.01%	0.01%	65	65	0
<i>NetSearchers, Int.</i>	79	79	0.01%	0.01%	31	42	11
<i>DomainZoo</i>	78	80	0.01%	0.01%	34	39	5
<i>Transpac</i>	80	81	0.00%	0.00%	20	31	11
<i>DomainPro, Inc.</i>	82	82	0.00%	0.00%	5	11	6
<i>RegistryRegistrar</i>	81	83	0.00%	0.00%	7	8	1
<i>Sitename.com</i>	83	84	0.00%	0.00%	2	5	3
<i>TotalNic</i>	85	85	0.00%	0.00%	0	4	4
<i>Harleyzo-USA</i>	84	86	0.00%	0.00%	1	2	1
<i>NamesDirect</i>	85	87	0.00%	0.00%	0	1	1
Totals			100%	100%	618,762	639,406	20,644

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April 2002 - INFO - Registrar Market Shares

Company	Rank		Market Share		Registrations		Change Net
	Mar	Apr	Mar	Apr	Mar	Apr	
Verisign Registrar	1	1	15.84%	15.66%	123,004	126,208	3,204
Schlund.de	2	2	13.39%	13.26%	104,032	106,888	2,856
Tucows	3	3	8.53%	8.29%	66,251	66,837	586
Register.com	4	4	8.05%	7.96%	62,555	64,121	1,566
MelbourneIT	6	5	4.28%	4.32%	33,224	34,812	1,588
CoreNic	5	6	4.36%	4.24%	33,825	34,157	332
Ascio	7	7	3.69%	3.61%	28,665	29,129	464
DirectNIC.com	8	8	3.67%	3.60%	28,496	28,976	480
Joker.com	9	9	3.58%	3.55%	27,806	28,639	833
eNom	10	10	3.38%	3.51%	26,290	28,325	2,035
Bulkregister	11	11	3.09%	2.96%	24,032	23,842	(190)
GoDaddy	12	12	2.20%	2.35%	17,091	18,901	1,810
Misc	25	13	0.69%	1.87%	5,353	15,032	9,679
EPAG Enter-Price Multimedia AG	13	14	1.55%	1.48%	12,035	11,948	(87)
DomainDiscount24	14	15	1.31%	1.29%	10,144	10,383	239
Dotster	16	16	1.18%	1.19%	9,168	9,609	441
SRSplus	17	17	1.18%	1.18%	9,149	9,514	365
DomainPeople	15	18	1.19%	1.16%	9,273	9,371	98
Domain Bank	18	19	1.17%	1.12%	9,065	9,057	(8)
ItsYourDomain	19	20	0.96%	1.07%	7,436	8,601	1,165
GANDI	23	21	0.86%	0.90%	6,706	7,259	553
VirtualInternet	20	22	0.93%	0.89%	7,237	7,175	(62)
Domain Discover	22	23	0.87%	0.87%	6,757	7,042	285
EasySpace	21	24	0.87%	0.86%	6,789	6,893	104
TotalRegistrations	24	25	0.81%	0.80%	6,299	6,410	111
DomainInfo	28	26	0.60%	0.59%	4,688	4,773	85
DotRegistrar	29	27	0.56%	0.58%	4,373	4,712	339
YesNIC	27	28	0.61%	0.58%	4,728	4,686	(42)
Discount Domain	31	29	0.55%	0.57%	4,305	4,576	271
Alldomains.com	26	30	0.61%	0.56%	4,745	4,550	(195)
Secura-GmbH	30	31	0.56%	0.55%	4,364	4,412	48
NetNames	33	32	0.52%	0.50%	4,023	4,049	26
dotearth	32	33	0.52%	0.50%	4,033	4,044	11
Name7.com	36	34	0.46%	0.47%	3,571	3,785	214
1stDomain.Net	34	35	0.49%	0.46%	3,837	3,747	(90)
Globedom	35	36	0.48%	0.46%	3,694	3,744	50
Nordnet	37	37	0.46%	0.43%	3,546	3,482	(64)
NameSecure	38	38	0.43%	0.41%	3,303	3,309	6
eNameCo	39	39	0.38%	0.38%	2,983	3,024	41
Namebay	40	40	0.35%	0.35%	2,748	2,793	45
Nominalia	41	41	0.34%	0.35%	2,643	2,791	148
Parava.net	42	42	0.28%	0.28%	2,203	2,240	37
Namescout	43	43	0.28%	0.28%	2,187	2,217	30
OnlineNIC	44	44	0.26%	0.26%	2,001	2,119	118
Cronon	49	45	0.21%	0.25%	1,597	1,994	397
NameEngine	45	46	0.25%	0.24%	1,932	1,900	(32)
Names4Ever	46	47	0.23%	0.22%	1,760	1,776	16
eMarkmonitor	47	48	0.22%	0.20%	1,685	1,622	(63)
Registration Technologies	48	49	0.21%	0.20%	1,619	1,619	0
Netpia	50	50	0.18%	0.17%	1,388	1,410	22
Doregi	51	51	0.17%	0.17%	1,325	1,342	17

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<i>#1DomainNamesInternational</i>	53	52	0.16%	0.16%	1,261	1,266	5
<i>000domains</i>	54	53	0.14%	0.15%	1,122	1,218	96
<i>DomainZoo</i>	55	54	0.14%	0.13%	1,065	1,065	0
<i>DirectI.com</i>	57	55	0.12%	0.12%	899	949	50
<i>AIT Domains.com</i>	58	56	0.12%	0.11%	895	905	10
<i>ID Registry</i>	56	57	0.12%	0.11%	946	855	(91)
<i>SignatureDomains</i>	59	58	0.11%	0.11%	836	854	18
<i>NamesDirect</i>	52	59	0.17%	0.10%	1,312	787	(525)
<i>PSI-Japan</i>	62	60	0.10%	0.09%	759	751	(8)
<i>RGNAMES.com</i>	61	61	0.10%	0.09%	773	726	(47)
<i>Interdomain</i>	63	62	0.08%	0.08%	593	635	42
<i>123Registration</i>	65	63	0.07%	0.07%	573	582	9
<i>Bluehill.com</i>	64	64	0.07%	0.07%	578	575	(3)
<i>Catalog.com</i>	67	65	0.07%	0.07%	531	573	42
<i>RegistrarsAsia.com</i>	68	66	0.07%	0.06%	509	519	10
<i>AAAQ.com</i>	66	67	0.07%	0.06%	533	516	(17)
<i>007Names</i>	69	68	0.05%	0.05%	419	412	(7)
<i>Nominate.net</i>	70	69	0.05%	0.05%	386	390	4
<i>NameZero</i>	60	70	0.10%	0.05%	787	381	(406)
<i>Galcomm</i>	71	71	0.04%	0.04%	309	291	(18)
<i>BestRegistrar</i>	72	72	0.03%	0.04%	265	287	22
<i>Corporate Domains</i>	73	73	0.03%	0.03%	262	262	0
<i>Awregistry</i>	74	74	0.03%	0.03%	238	256	18
<i>Alice's Registry</i>	75	75	0.03%	0.03%	237	211	(26)
<i>BookMyName</i>	77	76	0.02%	0.02%	128	186	58
<i>Address Creation</i>	76	77	0.02%	0.02%	168	183	15
<i>Omnis.com</i>	78	78	0.02%	0.02%	127	150	23
<i>DomainPro, Inc.</i>	79	79	0.01%	0.01%	100	97	(3)
<i>Sitename.com</i>	80	80	0.01%	0.01%	54	43	(11)
<i>TotalNIC</i>	81	81	0.00%	0.00%	27	37	10
<i>Active ISP</i>	85	82	0.00%	0.00%	1	35	34
<i>Internetters, Ltd</i>	83	83	0.00%	0.00%	4	24	20
<i>DomainRG</i>	82	84	0.00%	0.00%	25	22	(3)
<i>Transpac</i>	83	85	0.00%	0.00%	4	13	9
<hr/>							
Totals			100%	100%	776,689	805,901	29,212

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April 2002 - NAME - Registrar Market Shares

Company	Rank		Market Share		Registrations		Change Net
	Mar	Apr	Mar	Apr	Mar	Apr	
Verisign Registrar	1	1	23.55%	23.29%	16,162	16,851	689
Register.com	2	2	23.04%	22.69%	15,814	16,417	603
GoDaddy	3	3	9.26%	9.06%	6,358	6,559	201
SRSplus	4	4	6.57%	6.52%	4,508	4,715	207
MelbourneIT	5	5	5.76%	6.13%	3,950	4,434	484
Ascio	6	6	4.37%	4.22%	3,002	3,052	50
Alldomains.com	7	7	3.97%	4.15%	2,724	3,006	282
Namescout	8	8	2.96%	2.93%	2,033	2,121	88
Tucows	9	9	2.72%	2.66%	1,868	1,925	57
DirectNIC.com	10	10	2.05%	2.01%	1,405	1,453	48
Bulkregister	11	11	1.58%	1.56%	1,086	1,130	44
YesNIC	12	12	1.50%	1.45%	1,032	1,050	18
DomainPeople	13	13	1.44%	1.39%	987	1,004	17
Dotster	14	14	1.34%	1.31%	917	946	29
Global Media OnLine. Inc.	17	15	0.77%	1.19%	530	862	332
TotalRegistrations	15	16	1.01%	1.01%	690	734	44
123Registration	16	17	0.97%	0.93%	669	671	2
CoreNic	18	18	0.69%	0.71%	471	513	42
1stDomain.Net	19	19	0.68%	0.67%	469	483	14
DomainDiscount24	20	20	0.59%	0.65%	404	468	64
NameEngine	21	21	0.57%	0.54%	389	389	0
EasySpace	24	22	0.46%	0.46%	316	335	19
Domain Discover	22	23	0.47%	0.46%	324	331	7
Nominalia	23	24	0.47%	0.45%	323	327	4
NetNames	25	25	0.39%	0.38%	266	274	8
OnlineNIC	36	26	0.16%	0.32%	108	230	122
Names4Ever	32	27	0.20%	0.30%	139	218	79
Name7.com	31	28	0.20%	0.30%	140	215	75
DomainProcessor.com	26	29	0.30%	0.29%	204	210	6
Secura-GmbH	27	30	0.26%	0.28%	178	203	25
Netpia	30	31	0.23%	0.23%	155	167	12
Intermetters	28	32	0.24%	0.23%	162	165	3
ID Registry	29	33	0.23%	0.22%	157	162	5
BookMyName	33	34	0.20%	0.21%	138	149	11
DotRegistrar	34	35	0.19%	0.19%	133	138	5
Registration Technologies	35	36	0.18%	0.17%	121	121	0
eMarkmonitor	37	37	0.15%	0.15%	106	106	0
Namebay	39	38	0.08%	0.10%	55	70	15
Global Name Registry	38	39	0.09%	0.09%	62	67	5
Doregi	45	40	0.00%	0.05%	0	34	34
eNom	40	41	0.05%	0.05%	33	33	0
Catalog.com	42	42	0.02%	0.03%	12	23	11
007Names	43	43	0.00%	0.00%	3	3	0
Interdomain	43	43	0.00%	0.00%	3	3	0
Dor034	41	45	0.03%	0.00%	21	0	(21)
Discount Domain	45	45	0.00%	0.00%	0	0	0
Totals			100%	100%	68,627	72,367	3,740

Editor's Note:

In the February 2002 edition of this publication, there were a number of errors in the market share data for NAME registrations. Specifically, the names of several registrars were presented out of order. The data as presented in the March 2002 and First Quarter 2002 reports should be considered correct. We regret the error.

April 2002 - US ccTLD - Registrar Market Shares

Company	Rank	Market Share Registrations	
	Apr	Apr	Apr
GoDaddy	1	18.57%	27,898
Register.com	2	15.62%	23,471
eNom	3	8.55%	12,852
DirectNIC.com	4	6.33%	9,510
Bulkregister	5	4.84%	7,277
Official US Domains	6	4.16%	6,256
Tucows	7	4.16%	6,251
Namescout	8	4.05%	6,087
Encirca	9	3.24%	4,864
00domains	10	2.93%	4,409
DotRegistrar	11	2.64%	3,969
Ascio	12	1.83%	2,748
eMarkmonitor	13	1.77%	2,664
Dotster	14	1.70%	2,547
Alldomains.com	15	1.55%	2,332
VirtualInternet	16	1.35%	2,033
Verisign Registrar	17	1.32%	1,983
DomainProcessor.com	18	1.26%	1,887
OnlineNIC	19	0.95%	1,427
Domain Bank	20	0.80%	1,200
123Registration	21	0.73%	1,100
MelbourneIT	22	0.71%	1,066
ABR Products	23	0.71%	1,065
Galcomm	24	0.70%	1,055
Names4Ever	25	0.67%	1,001
Universal Registration Services	26	0.65%	974
1stDomain.Net	27	0.64%	959
DomainDiscount24	28	0.61%	914
ItsYourDomain	29	0.58%	877
Domains-USA	30	0.44%	664
Registration Technologies	31	0.44%	663
Wideport	32	0.36%	544
NetNames	33	0.34%	510
Corporate Domains	34	0.32%	486
CoreNic	35	0.31%	470
SignatureDomains	36	0.31%	463
Domain Discover	37	0.31%	460
007Names	38	0.29%	441
DomainInfo	39	0.28%	419
Internetters, Ltd	40	0.25%	381
BookMyName	41	0.24%	366
DomainPeople	42	0.22%	336
EasySpace	43	0.22%	330
IARegistry	44	0.21%	312
Safe Names	45	0.19%	292
DirectI.com	46	0.19%	285
Web Names	47	0.18%	271
Address Creation	48	0.17%	261
dotearth	49	0.16%	245
Alice's Registry	50	0.15%	230
Clear Visant Consulting	51	0.13%	202
Omnis.com	52	0.12%	179
DomainsAtCost	53	0.09%	134
Secura-GmbH	53	0.09%	134
Catalog.com	55	0.08%	120
AIT Domains.com	56	0.07%	100
Baremetal.com	57	0.06%	92
Bluehill.com	58	0.04%	57
Doregi	59	0.04%	56
.US Reserve	60	0.02%	36
RegistryRegistrar	61	0.01%	10
NamesDirect	62	0.01%	9
US Beacon	63	0.01%	8
DomainNameSystems	64	0.00%	1
Totals		100%	150,243

Monthly Report

Of, By, and For a Mere Handful of People: An Illegitimate Registration System Continues to Disadvantage Mainstream Domain Name Users

by Cameron Powell

May 28, 2002

Dear SnapNames,

We are sending you this e-mail from J.Isern Patentes y Marcas, S.L., an Intellectual Property Attorneys office from Barcelona, Spain.

One year ago and on behalf of some clients of us, we needed to watch over some [trademarked] domain names' expiration dates . . .

Last week [you informed us that] Network Solutions, Inc. had sent the delete command to [the registry]. We hoped that by the beginning of this week (and as the delete action would have been completed) the domain name would be registered in the name of our client.

Monday morning we discovered astonished [sic] that the domain name had been registered in the name of some Chinese individual through a Chinese registrar PAYCENTER.COM.CN. As their web site is in Chinese we do not know if they provide "retrieval" services similar to yours. . .

Marta
[Address omitted]

Dear Marta,

Thanks for your letter. The answer to your question is that many registrars work only for a handful of customers, and so do not provide retrieval services available to all customers equally. Thus, some registrars' choice of "business models" means that you and your business clients who want to register and use domain names are not eligible to use the registry connections of these registrars -- you are excluded. Even those registrars whose sites are in English or Spanish or French or a language you do understand do not discuss their "service" on their sites and in any event would refuse to do business with you. . . .

Welcome to the world of the millions of end-users around the world who are excluded from today's inadvertent system of allocating the largest source of valuable domain names in the world: the 800,000-plus formerly-registered COM, NET, and ORG domain names that are allowed by their owners to expire and delete every month.

Do you, the reader, have equal, reliable, or reasonable access to any of these valuable names? The answers are No, No, and No, respectively.

The reader is right to ask, then,

How and why are actual end-users of domain names and websites excluded from a registration system set up for them, and in what way is the current exclusion inadvertent?

Below is a short primer on how a lack of foresight on the part of an industry led to what some in the industry have recently gone so far as to label a "corrupt" system.

I. No One Ever Planned a Way to Fairly Distribute Domain Names Upon their Mass Expiration, Deletion, and Return to Availability

When the domain name system was set up, it was designed to create an initial registration of a domain name. Very little thought was given to what should happen when a registration expired, and the registrar deleted the domain name from the registrar's records, and the registry honored the deletion by making the name available for re-registration. Accordingly, while the various ICANN and VeriSign Registry agreements

Nothing ensures that customers' access to the re-registration of a name will be as fair, equal, transparent, and reasonable as their access to initial registration services.

discuss the timing of delete commands and the like, nothing ensures that customers' access to the re-registration of a name

will be as fair, equal, transparent, and reasonable as their access to initial registration services.

However, neither do the agreements appear to prohibit registrars from providing access that is not fairly distributed, or equal, or access that is far from transparent or reasonably understandable. The ensuing loophole has allowed many registrars to rent out their resources for re-registrations to one or a few customers each, and to view the resulting system as a "business model."

And that has led to what one commentator recently referred to as "today's registration- loophole carnival of horrors."

II. Today's "Registration-Loophole Carnival of Horrors" Disadvantages Mainstream Users

If you are an intellectual property owner, a business, a mom and pop store owner, or any individual user without enormous financial means and sophistication about the domain name industry, or if you represent any of these, here is what you do not, and should, know:

A. The valuable domain names are already registered . . .

It is a widely shared opinion that "all the good names are gone," meaning, with some exaggeration, that most of the

desirable domain names in COM, NET, and ORG have already been registered. Statistical support for this belief includes the demand for re-registration of already-registered names upon their deletion (about which more below) and the fact that 98% of attempts to register a domain name fail (studies show that would-be registrants must try several, or even several dozen, variations on a name before finding a suitable name that is available).

B. . . even though most domain names are not in use . . .

Our data shows that only 10% of all domain names are actively being used as operational websites (as opposed to redirecting traffic, providing static ad content, or, most commonly, not resolving to a website at all), while the other 90% are being held for either defensive or speculative purposes or were issued by registrars as part of free or nearly free promotions.

C. . . but because most domain names are not in use, massive numbers of domain names become available for re-registration every month . . .

Because defensive registrations are no longer *de rigueur*, the promotional registrations are expiring, and most arbitrage speculators have had less than expected success in selling their inventory of domain names, over 800,000 names are voluntarily allowed to expire, delete, and become available for re-registration each month.

D. . . and the vast majority of these deleted domain names are intentionally made available by their prior owners.

The number of these names that expire through negligence or inadvertence is vanishingly small: we estimate that over 99% expire with the owners' knowledge and consent.

E. The demand for these newly available names is enormous . . .

Because the demand to register these names is so high (VeriSign Registry has reported 500,000 registration requests per name), VeriSign Registry dedicated a special "pool" of connections from registrars to the registry.

F. . . due to the Registration Loophole, each registrar had to be permitted resources specifically dedicated to capturing deleting names alone . . .

There are 100 accredited CNO registrars that are operational.

Regardless of the how small or large their customer base or customer demand, each registrar has now, at ICANN's urging, been allocated 40 special connections to the Registry to try to register deleting names.

The 40 connections (the number has dropped steadily from 250) allow each registrars' customers to compete for re-registration of deleting names. In other words, it is not first-come, first-served; it is every customer for himself. The registrars send registration requests to the registry at the rate of several hundred or even thousand requests per second — so that an individual user typing on a keyboard has virtually no chance to register a name by manual means.

G. . . and now, even for the customers with preferential access, the Registration-Loophole System is an outrage . . .

Today's "system," if such a patchwork fiasco deserves to be called a "system," works like this: a handful of registrars sell a handful of the larger speculators preferential access to the registrars' connections to the registry. Because no registrar has all connections to the registry, even the privileged speculator customers have an uncertain and chaotic experience as their registrar partners compete to register the names upon their deletion from the registry. But of course mainstream

How do you think your clients' lost names, and the names of all those churches and schools and non-profits redirected to porn sites, are registered during the millisecond they are available? Wonder no more.

users and even smaller speculators have no chance to register these most valuable domains at all¹. We ask you: How do you think your clients' lost

names, and the names of all those churches and schools and non-profits redirected to porn sites, are registered during the millisecond they are available? Wonder no more.

And even if mainstream users or smaller speculators could also strike back-room deals with registrars, the process and the failure rates would still be commercially untenable and would still reflect poorly on the entire industry.

H. Because most of the re-registration resources in use are dedicated to a handful of customers, any so-called "competition" among sponsoring registrars is of no consumer benefit.

Due to the loopholes failing to prohibit the practice, approximately 30 registrars sell their re-registration connections exclusively to just a handful of customers, and therefore these customers alone have access to these registrars' ability to register the most valuable source of deleting names. Most, but not all, of these customers are not end-users of the domain names. According to one knowledgeable speculator:

Currently many registrars are running their own programs to catch dropped names and then auction them or give it to their people or charge monthly for [the] facility. Which is not [what] their primary purpose was. For a genuine domain/website owner that's a nightmare.

The so-called competition among registrars, as practiced today and as is inevitable when each registrar has a fractured share of the precious public resources known as connections to the registry, is unquestionably anti-competitive for consumers. Because the domain name system exists for consumers, the so-called "competition" among registrars is, for consumers, a chimera. And even the so-called "competition" among consumers occurs solely among an oligopoly of a few dozen customers who are professional domain name buyers.

Thus, when we hear talk of competition in the domain industry, we are now obliged to ask ourselves, competition serving whom? And if the answer stops short of the customer, we will understand that the speaker has interests in selective "competition" that does not necessarily benefit customers.

¹ More than one smaller speculator — and these must be counted as among the most well — informed domain name customers on the planet — has bemoaned the current system's chaos for even customers as sophisticated as speculators. Domain name customer Lalit Wadhwa, proprietor of dotster.com, once listed the limited, undesirable options available even to smaller speculators:

1. setup technology & chasing the name myself, or
2. paying to koreans/chinese [registrars] to pick the name for me or
3. paying to unpaid-dept of registrar or
4. watching auction of dotster/parava whole day or
5. paying monthly fee in thousand dollars to registrar or
6. paying snapnames fix[ed] price (which is not bad) but no guarantee or
7. paying thousands of dollars to get into elite group of some registrars or etc etc etc

Imagine how much more limited are the mainstream customer's options.

I. While the current system would never be approved as a new policy on its own merits, its springing into existence by an accident of history has, to many, enshrined it as a *de facto* business model.

These practices are of course legal, and they are not prohibited by ICANN policy, but it's reasonable to believe that such

The current system is less a "business model" than an accident of history flowing from a loophole in contracts.

means would never be approved if considered on their own merits as policy proposals

today. In this way, the current system is less a "business model" than an accident of history flowing from a loophole in contracts.

J. The Registration-Loophole System greatly favors a few customers at the expense of the rest.

We estimate that fewer than 20 customers control the registry connections, and therefore the sole re-registration resources, of most of these 30 registrars.

K. The general public does not have reasonably open and transparent access to critical re-registration resources.

These 30 registrars do not offer their valuable re-registration resources to the general public. Of the other 70 registrars, about 58 do not offer re-registration resources at all (though speculators run programs through many of these registrars anyway), and about a dozen offer the use of their re-registration resources on a first-come, first-served basis to all customers. (See our reprint, in this issue, of the popular "A Day in the Life of Ivan Domainovich" for an illustration of how the current system looks to the mainstream user. It is more timely than ever.)

L. The general public therefore has no realistic chance of acquiring valuable deleting domain names.

Corporations, IP owners, mom and pop business, non-profits, individuals--actually any customer but the largest professional domain name buyers in the world--are locked out of any access to approximately 88 registrars' resources. The ability

The ability of mainstream users to acquire any deleting name but the most worthless is limited, even non-existent.

of mainstream users to acquire any deleting name but the most

worthless is limited, even non-existent. The current system is confusing, complicated, uncertain, unreliable, and unfair.

On May 31, 2002, we examined a random sample of 1274 domain names that deleted and became available again in the last part of May 2002. (To preserve the randomness of the sample, we did not look at domain names registered by SnapNames' partners, who also devote their Registry resources on a first-come, first-served basis available to all.) These 1274 domain names are by definition highly valuable, because they were all registered literally within milliseconds of their return to availability.

Of those 1274 names, we discovered that:

- 2.1% or 27 -- had been registered by mainstream consumers on registrars' websites. Attorneys, corporations, unsophisticated users: this is your share.
- 16.8% or 214 -- had been registered by certain registrars² through means theoretically available to all consumers, but in reality the means were confusing or required a high degree of sophistication about the Registry's deletion process and a substantial investment of time in research and on the registrar's site
- 81.1% or 1033 -- were registered by certain other registrars all on behalf of a few dozen customers, and these registrars do not offer their services equally to all customers, or even mention the services on a website, where the services would be accessible, or at least transparent, to mainstream consumers and intellectual property owners.

In sum, 97.9% of all valuable domain names sampled were registered through means not practically available to the general public.

III. The Registration Loophole System De-legitimizes the Domain Name Industry

The Registration-Loophole System is a seriously de-stabilizing and de-legitimizing influence on the industry. Domain sellers who struggle with declining revenues on first-time registrations, and who have developed understandably short-term outlooks as a result, are perhaps not in an ideal position to appreciate the long-term impact on the industry of today's

² That is, registrar Dotster's NameWinner.com, also serviced by registrar RegistrationTek, and NicGenie, serviced by registrar Parava.net.

unfair and confusing system of distributing valuable previously-registered domain names. Penny-wise, pound-foolish; short-term gain sacrificing long-term viability.

Too few in the industry appear to realize that the following comment from an active intellectual property lawyer is increasingly typical:

I have clients who spend thousands of dollars -- still -- having to track down crooks and thieves and honestly, I tell them that the current system is set up to encourage thieves to spend \$20 registering a domain name that they can not own and forcing companies to spend thousands on lawyers going after them while registrars hide the ball. Why is the internet going the wrong way? Why are many big companies cutting way back?

It's not because the internet is too heavily regulated, it's because of the crooks and thieves -- clients question how much effort is it worth to and do I really need much of a presence. That's a shame but the internet community has done it to itself. . . The answer is, ok, you're right, it's not a viable commercial vehicle, it's a place for crooks and those selling porno.

Some might argue that the above comment represents a view more extreme than the average. But it would be a mistake to discount these and many other comments, because the evidence is clear that COM, NET, and ORG registrations have been falling for some time, and the launches of new gTLDs have proven less momentous than most commentators expected when the gTLDs were approved. Why is that?

There are valid arguments that the marketplace friction posed by all of the above inefficiencies and inequities are dampening registrations more than they are encouraging the growth of the industry, with negative long-term results.

ICANN already has policies requiring that registrars adopt specific Whois formats, create website-based access to their Whois information, and many other policies designed to allow openness and transparency and to further the public interest in fair and reasonable access to the industry's information and resources.

ICANN now needs a policy governing the public's equal access to the privileges — not the rights — that are the registrars' shares of Registry resources. Afternic's typically thoughtful Peter Girard some time ago offered a similar analysis:

The Status Quo . . . is not an option. The system will change. Allowing dozens of companies to competitively game the registry's delete system does not constitute consumer choice and competition. It only forces the consumer to subscribe to innumerable 'attempts' to snatch a name, all but one (and usually all) of which must fail to provide a trace of value.

IV. The Registration-Loophole was Never Put Through a Policy Approval Process

ICANN and the registrars radically changed industry policy last fall -- without any nod toward the industry's usual consensus processes — when registrars began to be able to provide back-door access to the registry for deleting names. Since then, the industry and consumer's rights have been turned upside-down.

In essence, there has been a *de facto* policy revision of serious proportions, but it has not been debated, discussed, or approved. Should not the Registration-Loophole Policy Revision be required to go through a consensus process? Why should it not be required to prove itself on its own merits, rather than existing by default, as an accident of history?

There can be no reasoned argument that if today's system had ever been formally proposed for approval at the outset of policy-making in the industry, rather than having developed informally and largely behind closed doors afterward, it would never have seen the light of day.

...if today's system had ever been formally proposed for approval at the outset of policy-making in the industry, rather than having developed informally and largely behind closed doors afterward, it would never have seen the light of day.

To do nothing about the access problems posed by the secondary market, therefore, is not a proper response to a system that few in the industry, including its regulators, could ever support. To do nothing is effectively to approve of an untenable and unsustainable system.

Those interested in the domain name industry, in domain names, and in intellectual property rights should ask themselves: do we support a continuation of the Registration-Loophole, or should registrars be required to offer their resources on equal bases to all registrants?

ICANN generally invites comments from the public to comments@icann.org.

Mainstream users and intellectual property attorneys and owners have previously expressed interest in knowing which registrars use their resources on behalf of a handful of customers at the expense of others, so that the attorneys and owners may choose to patronize registrars who are proven friends of mainstream users and intellectual property.

If you are interested in obtaining a list of registrars who observe principles of equal treatment, please write us at equalaccess@snapnames.com and let us know how we can help you.

Reprinted and updated from *State of the Domain, January 2002*

A Day in the Life of Ivan Domainovich, or, Competition and Choice Revisited

by Cameron Powell

On December 30, 2001, VeriSign Global Registry proposed a new Wait List Service to provide customers desiring previously-registered domain names with an equitable form of access to them upon their deletion. The service as proposed was to launch on March 20, 2002. Registrars with "business models" dedicated to one to ten customers each have complained that such a service would affect "competition" and the service therefore remains unavailable.

Ivan Domainovich is a simple man. What he would like is to use his name on "the Internet." His name being Ivan, of course, and his business being a shop. "www.ivansmokeshop.com". That is what he would like.

Upon his emigration to Chicago, a friendly immigration lawyer had suggested that he obtain a trademark on "Ivan Smoke Shop" for cigar cutters, humidors, and bowler hats. He likes that: Ivan Smoke Shop®. The R and everything.

The neighbor's boy next door tells Ivan Domainovich that he, Ivan Domainovich, must go onto "the Internet" in order to register his "domain name."

"You should go to Google," the boy says, "and type in 'register domain names.' It will tell you all the places you can go to register."

"Google?" says Ivan Domainovich.

To the library with Ivan Domainovich. There are terminals there. The terminals are free. This Ivan likes very much. With the librarian's help, he finds Google and types in the words suggested by the neighbor's boy. There are 96 companies listed!

"But which one should I choose?" says Ivan Domainovich.

"It doesn't matter," the librarian tells him. "The registrars are all treated equally by VeriSign, and the registrars all treat customers equally, too."

Still, Ivan goes outside for a smoke.

Back in the library, Ivan Domainovich sends a prayer to the ceiling, closes his eyes, and points his "mouse" at the "link" of one of the 96 companies. He is now on a different page. The people behind the page ask him to type in his domain name. Though he is not technically "a typist," Ivan Domainovich with gusto takes up the task:

Ivansmokeshop.com

he types.

Sorry, this name is not available

he is told. Ivan Domainovich walks outside for a smoke. For a long time he regards the blue sky.

* * *

Three months later, Ivan Domainovich overhears some young men talking about getting domain names that are registered but may "delete". He interrupts them. "What does it mean to 'delete'?" he says.

"To become available again."

"I wonder if ivansmokeshop.com could be one of those," he says. One of the men looks at him.

"You just have to see when it expires. Look that up in the Whois. It'll tell you. Unless it's on-hold at the registry or the registrar or in the purge period at the registry, and then the Whois is totally blank. If it's blank, it means the name is in the 120-hour purge cycle at the registry. That's important for you to know. I see that you're nodding, that's good. The registrar has lost control of it already. As for you, give up, turn back; there is nothing you can do. On the other hand, if it's expired but not yet deleted by the registrar or purged by the registry, then you may have to wait 45 days after the expiration in order to see if it goes into the purge cycle. Lose all hope. Unless the name is at Network Solutions, because there the time varies. In any event, check back every day, or several times a day, to see if the Whois has become blank. These

are a few observations to begin with. Yes, everyday. But it won't do you any good. Forty-five days after expiration, the registrar deletes the name and it comes out of the zone file. Of course, at this point it's still in the SRS. In some cases, but not all, five days after the name comes out of the zone file the registry purges it from its database, which is in Virginia, and if you just have your Sun server running you can pick up the name before anyone else does. Or you can let someone else pick it up first because they have preferential access to it, and then buy it from them for a few hundred dollars. It is all pointless. Turn back. These are professionals; don't try this yourself. I am exceeding my instructions in speaking to you so freely."

"The who is?" says Ivan Domainovich.

"You have so many choices," the man said, "due to the competition afforded you, the consumer, by the registrars' business models. For example" — and here he began to tick off the points on his fingers — "you can

1. setup technology and chase the name yourself, or
2. pay the Korean or Chinese registrars to pick the name up for you, or
3. pay the "unpaid-names department" of a registrar, or
4. watch an auction on Dotster or Parava the whole day, or
5. pay a monthly fee in thousand dollars to a registrar, or
6. pay SnapNames a fixed price but still have no guarantee, or
7. pay thousands of dollars to get into elite group of some registrars, or etc. etc. etc."¹

Ivan Domainovich senses it is again time for a smoke. He now knows he will never get his domain name, ivansmoke.com, or even the alternatives he has prepared, such as ivan.com or ivanshop.com or shop.com or is.com.

* * *

Three months later, while seated at his new computer, Ivan Domainovich experiences a vision. Ivan Domainovich has never before been visited with divine intervention, but now one or another monotheistic deity tells him, via HTML-supported email, that he, Ivan Domainovich, can cause a deleting domain name to be registered for him by another. God further reveals to Ivan Domainovich certain arcane secrets known by approximately 150 customers of the industry: the names of companies that compete fiercely with each other to locate names in the "secondary market" for these certain customers, the Chosen Ones. God, who is nothing if not a splendid typist, quickly provides their website addresses²:

www.iaregistry.com
 www.signatredomains.com
 www.enom.com
 www.nicgenie.com
 www.dotregistrar.com
 www.awregistry.com
 www.onlinenic.com
 www.addresscreation.com
 www.alldomains.com
 www.eastcom.com
 www.paycenter.com
 www.namewinner.com
 www.snapnames.com

"So you see," says God. "The innovation and competition can only serve you well, according to certain economic theories generally tending to be valid in most circumstances of the typical industry. This information is provided 'as-is,' with no guarantee that such competition will actually be designed to serve you. Because who, after all, are you?"

"I am Ivan Domainovich," Ivan Domainovich says, though rather unnecessarily, in God's view.

Six days later, Ivan Domainovich is still sitting in front of his computer. Nearly every website he has searched fails to explain how he, Ivan Domainovich, can place an order for ivansmoke.com. They have no information whatsoever that applies to him. "It is like a secret or something," he says. After some effort, he finally finds some of the companies' phone numbers (some do not have phone numbers) and calls them.

"Our company only buys names for a couple of customers," one tells him. "The customers helped to build our name-buying system that accesses the registry's RRP, and they pay us money to be the only people who can have that access. Besides, there would be no guarantee that we could get your name anyway, because other companies also use RRP connections to try to get names and so everyone is a little bit successful and fails a lot. Also, some registrars are experimenting with innovations on the expired names they own, as registries might operate in the Balkans, and so it's possible your name will never delete anyway but will be sold to someone else who knows the right people to call, unlike you."

¹ This information is paraphrased from a statement by professional domain name buyer Lalit Wadhwa, proprietor of dotsplash.com, who well-described the chaos for even a customer as sophisticated as he.

² Since this list was first published, it has more than doubled in length.

"I must go to all of the companies and make deals with each one?" he says. Even that is no guarantee, he is told.

"Competition is good," he is told. "God knows we are innovating here."

"But what are these 'connections', that belong to all the people and that only some people can use?" says Ivan Domainovich.

"We are using our connections to innovate for our three customers. You are just a businessman. Their business is domains themselves. Please choose another choice."

The second choice he chooses initially says that they do not know what he is talking about, but when he persists, they cannot locate anyone who speaks English, or Russian, very well. Still, he understands with his limited command of their language that they buy names for themselves and for a few customers, who pay big ruble-equivalents for thousands of domain names at a time. "Try our competition," he is told. "You have plenty of choices. An abundance of riches. Plethoras of options. Cornucopias of- well, anyway, the free market will set you free."

The third choice has an exclusive club of ten customers that Ivan Domainovich is not invited to join. It is full. Also, it costs \$2,500 per month to join, and even if he could pay, Ivan could not know now whether he would-yes or no-get his name. Ivan Domainovich does not want a \$2,500 domain name anyway. The other companies are also of no help. Their exclusive clubs are also full. Would he like to get on a waiting list for an exclusive club?

"This thing I have seen before. In this equal system, some," says Ivan Domainovich, "are more equal than others."

He calls more innovative companies. One tells him that they can't serve him unless he orders thousands of domain names at just over wholesale cost, watches the traffic they generate, and then deletes the ones he does not want within a five-day "grace period". He is in favor of recycling, isn't he? Others' websites do actually reveal the companies' services to regular people like Ivan Domainovich, but they want him to wait until his name is in "the delete cycle" before he can stop worrying, and so he must check on his name's "status" and come back to the site periodically and then if his name ever deletes, he must bid on the name in some kind of auction, and maybe get it, maybe not. Probably not.

"I am not always sitting at a computer," Ivan Domainovich

says. "I have a full-time job for Ivan Smoke Shop. I do not have time to research a new career for ivansmokeshop.com."

"You have so many choices," he is told. "We are all innovating like crazy here."

Finally, SnapNames' website tells him that while it serves all customers simply and equally, even that company cannot guarantee that he will have an answer to his question: Will I get my name or not?

"There is always the competition," he is told by phone. "We recommend that you purchase our service, and then, to cover all your bases, call up all of the competitors and put down money there as well. Have you done that?"

Ivan Domainovich turns off his computer.

* * *

On or about April 2, 2002, in a feverish dream, Ivan Domainovich hears the neighbor's boy yelling up to him from the sidewalk. The boy is saying that Ivan Domainovich should look up his domain name again, and see what happens. Stupid boy. But Ivan Domainovich tries anyway.

Ivansmokeshop, ivanshop, ivan, shop, is

he types.

Sorry, these names are not available

he is told. Ivan Domainovich is about to walk outside, for a smoke, when he continues reading:

Click here if you would like to be put on a wait-list for this name. Should the original owner let it expire, you are guaranteed to be first in line to register it. If the original owner does not let it expire, or if you just change your mind, you can transfer your subscription to another name that you also like.

A waiting list. This Ivan Domainovich likes. The priority waiting service is more expensive than the \$10 domain name he could not buy. Of course it is. It is also too expensive for recyclers or speculators to buy the names en masse only to resell them to him at a higher price. Some of the names already have people waiting on them, but Ivan Domainovich buys a place in line for ivanshop.com.

In his dream Ivan Domainovich puts his credit card away, and lies down for a nap.

Methodologies & Statistical Accuracy

SnapNames' domain name industry data is generated using domain names listed in the COM, NET, ORG, BIZ, INFO, NAME and US zone files. Only active domain names appear in the zone file, although a domain name does not have to be attached to a web site to be considered active. It is possible that a registrar could have domain names that are on hold, or domain names that do not have name servers listed, thus causing our report-generating process not to "credit" the registrar with such domain names. Overall industry reports are run monthly from zone files produced on the first day of each month. Because some domain names may be transferred, expire, or expire and be re-registered by another registrar while the report is being produced, it is possible for those names not to be included in the report.

Daily reports are the result of the difference between two zone files monitored 24 hours apart. A domain name appears on or disappears from a zone file if:

- It was just registered and is being placed into the zone file.
- Its status is being changed from Registrar or registry "hold" to "active".
- It is being placed on hold in the normal process of expiration.
- It is being placed on hold because of a dispute.
- Its name servers are being permanently disassociated from the domain.
- Name server changes are made during the cycle when the zone file is generated.

Often, registrars will report larger numbers of current registrations and larger percentages of market share than the numbers shown in this report. This is because many registrars were resellers for Network Solutions or some other ICANN-accredited registrar prior to themselves becoming ICANN-accredited. In order to avoid double-counting, in the compilations you'll find in this report each registration is to the actual registrar of record in the zone file, regardless of the reseller that technically sold the name and manages the customer.

The above information is accurate to the best of SnapNames' knowledge and within reasonable margins of error. SnapNames is not liable for any reliance on this information. Persons with corrections or other comments are encouraged to bring them to SnapNames' attention. Please forward comments to publisher@sotd.info.