

The “long tail” of the name space: a new type of name

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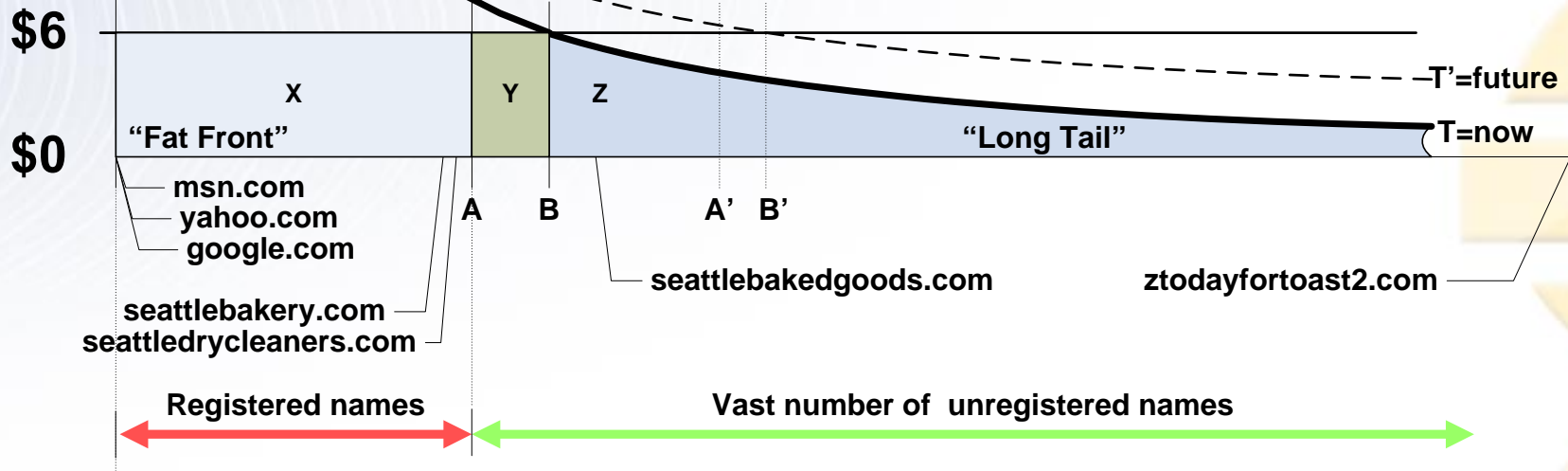
Today's Topics

- “Fat front” and “long tail”: what is it?
- New type of domain name: different parameters
- Fixed dollar amount per name, Vs. revenue share
- Benefits of traffic aggregation
- Regarding add/deletes and tasting
- Registrar example usage



\$big

Name-values vs. ordered names



Name Parameters

Parameter	Setting
Add grace period	5-days
Registry fee	\$6.00
ICANN fee	\$0.25
Date fees are incurred	Upon exit of the add grace period
Registration period	One year
Availability during registration	Not available while registered
Nameservers settings for each name	Any
Whois required	Yes
Others...	Other parameters have other settings

Class II names

Parameter	Class I Name	Class II Name
Add grace period	5-days	365-days
Registry fee	\$6.00	\$6.00
ICANN fee	\$0.25	\$0.25
Date registry and ICANN fees are incurred	Upon exit of the add grace period	Upon exit of the add grace period
Registration period	One year	Up to one year
Availability during registration	Not available while registered	Available
Nameservers settings for each name	Any	Specific
Add grace threshold	At least X% of adds must be kept	None
Whois required	Yes	Yes
The other parameters...	Same as now	Same as Now
Registry rev-share	None	55%
ICANN rev-share	None	5%
Registrar rev-share	None	40%

Revenue Shares

Partner	Proposed Share
Registry	55%
ICANN	5%
Registrar	40%

- Financial reporting from auditable third party (for example, Google or other ad network)
- Why these rev-shares?
 - $\$5 \times .05 = \0.25
 - 5 to 40 (assumes 15-point cost to VeriSign) is about the same ratio as \$1 (ICANN share for .net names) to \$6.25 (cost for .com)
- Revenue is after ad network's share is deducted
- Registrar to share their share with registrant

New cred type or new name type?

- Originally proposed as new cred type so that no changes would be required for registry interface
- But the required change is minimal for new name type, whereas new cred type requires larger external changes (accreditation, etc)
- Conclusion: probably new name-type is most optimal
 - Additional EPP parameter required when registering names

Specific Name Servers

- Trust and complexity on calculating revenue shares if not centralized
- Greater total revenue from ad network if traffic is aggregated
- Due to rev-share model, all partners have an incentive to maximize revenue
- Less total development costs

Add/Deletes: name tasting

- If tasting was a problem, this new type of name is the solution
- Class-II names totally eliminates the need for “tasting” during add/delete period
- Much longer tasting period
 - No need to “roll” a name
- Add-grace period for class-I names would require a “must keep” threshold, for example, 90% of class-I names must be kept.
 - Prevents registering currently registered class-II name as class-I, then deleting it, then immediately registering it as a class-II

Registrar usage example

- Establish a letter-of-credit (say \$600K)
- Register 100,000 class-II names
- Monitor the income for each name
- Register those names that will make more than \$6 as class-I names
- Delete those names making less than a threshold (say \$2), freeing up capital and allowing the registration of more class-II names
- Resulting in an increasing average across the portfolio

Questions?

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