



New gTLD Quarterly Report

Q4 2023

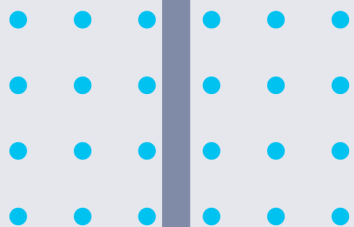


TABLE OF CONTENTS

02

INTRODUCTION

*Chris Niemi, Manager, Strategic Initiatives,
provides an update on the new gTLD landscape*

04

.QUEBEC

*The intersection of language, geography, and
ICANN*

10

NEW GTLDS 101

Understanding EBERO

15

WHAT THE DOCTOR ORDERED

Pharma .brand usage in 2023

20

THE BIG PICTURE

*New gTLDs since 2015 as compared to .com and
ccTLDs*

27

UPCOMING ICANN MEETINGS

Get involved



Introduction

Dear Santa,¹

With 2023 coming to a close, I figured I needed to send in my requests for peace and goodwill and gifts for my four children now (apparently, I was nominated to write the letter this year).

But before I do, as a Corporate Domain Professional, let me offer this humble Q4 2023 New gTLD Quarterly Report as my attempt to get on the 'Nice' list (unlike cybersquatters who will definitely be on the 'Naughty' list).

Busy as you are, you might want to sit back and brush up on the following:

- What's happening with .quebec – ICANN policy is always fun to read about, and you drop in on the kids of Quebec on Christmas Eve too right, so who loses here?
- The first installment in our New gTLDs 101 series, on the EBERO. While it sounds like a new robot you might give as a gift, it actually isn't, so read more to find out about it.
- As a person of experience, and perhaps sciatica, the pharma industry might be something you are familiar with – hey folks I'm just talking about Ibuprofen here! Let's check into what pharma .brand registry operators are doing with the usage of their gTLDs.
- With domains out there like santa.com (is that you under the WHOIS proxy service?), you appear to be familiar with .com domains. Come along as we compare registration counts of .com, ccTLDs, and new gTLDs going back to 2015 to see if there are any trends we can find.
- And of course, the list of the next few ICANN meetings wraps things up – if I recall correctly, I saw you at the New gTLD Prioritization Draw in December 2012, so I hope to see you again at an ICANN event one of these days!

After you get caught up on all of that I might even leave you some cookies and milk on the mantle.

Anyway, I appear to have lost that list of the kids' gifts, I might be deserving of a lump of coal this year, though that wouldn't be very .green of you.

With that I bid you (and the readers who have made it through this letter – you deserve a gift of your own) adieu!

Happy Holidays and we at Markmonitor will see you with more interesting domain-related content in 2024!

Best regards,



Chris Niemi

Manager, Strategic Initiatives
Markmonitor

1. <https://www.history.com/topics/christmas/santa-claus> (for those who need a refresher)



.quebec

The Intersection of Language, Geography, and ICANN

As a bottom-up stakeholder driven community that is centered on policy development, ICANN's activities sometimes result in unintended consequences. A recent example of this is the new gTLD .quebec, which finds itself in a challenging situation due to some conflicting policy matters around internationalized domain names (IDNs). So, let's review .quebec in 2023 and see what is happening.



First of all, what is Quebec?

- Quebec is the second largest Canadian province by population, with a little over 8.8 million people in Q3 2023.¹
- The name “Quebec” comes from the Algonquin word for “narrow passage” or “strait.” It was first used to describe the narrowing of the St. Lawrence River near what is now the City of Québec. Quebec has had several names throughout its history: Canada, New France, Lower Canada, and Canada East.²
- In the 1700s, France and Great Britain battled for control of North America. In 1759, the British defeated the French in the Battle of the Plains of Abraham at Québec City — marking the end of France’s empire in America ... Following the war, Great Britain renamed the colony to the “Province of Quebec.” The French-speaking Catholic people, known as habitants or Canadiens, strove to preserve their way of life in the English-speaking, Protestant-ruled British Empire.³
- By the Royal Proclamation of 1763, the Province of Quebec was created out of the inhabited portion of New France.⁴

What languages are spoken in Canada and in Quebec?

English and French are the official languages of Canada.⁵

The Official Languages Act [of Canada] states that its purpose is to:

advance the equality of status and use of the English and French languages within Canadian society, taking into account the fact that French is in a minority situation in Canada and North America due to the predominant use of English and that there is a diversity of provincial and territorial language regimes that contribute to the advancement, including Quebec’s Charter of the French language, which provides that French is the official language of Quebec.⁶

As of 2021, 6.6 million Canadian people could conduct a conversation in English and French and 59.2% of bilingual Canadians lived in Quebec.⁷

2012 .quebec Application – what did it say?

Now that we know that Quebec is a province that has deep French roots and has French as its official language in a bilingual country, let's look at what the .quebec registry operator included in their 2012 gTLD application.

“Describe the mission/purpose of your proposed gTLD:

The .quebec TLD application is submitted by PointQuébec, and is intended to serve the Québec community, composed of individuals and organizations linked to the community on a linguistic, cultural, tourism or business basis. The Québec community will be served by PointQuébec, the not for profit organization created expressly for that purpose.

PointQuébec will keep interested in applying for the .QUÉBEC TLD, as an IDN TLD. Under current circumstances ICANN indicated that both strings would be considered as “confusingly similar” but PointQuébec is confident that ICANN will eventually understand that, while identical, they are not confusing at all: what's confusing for the Québec people is that both linguistic versions of the string are considered different: both French and English have official status and are widely used in Québec.

The goal of the .quebec TLD is to serve the Québec community, to allow citizens and organizations to be known and recognized on the Internet, to carry on the community's activities in respect of their cultural identity. To that purpose, PointQuébec will:

(iii) develop the technology for an IDN twin Registry (when allowed by ICANN)”⁸

So even as far back in the application itself, the registry operator pointed out that it: understood that the rules as stated at the time were such that the internationalized domain name version of a gTLD could be considered ‘confusingly similar’ and that it wanted to work with ICANN and apply for the version including a diacritic once it was possible to do so.

Where is .quebec in 2023?

Coming back to this year, the .quebec registry operator, PointQuébec, currently has a number of rules about registration of IDNs, including:

When requesting the allocation of a second-level domain name, the .QUEBEC registry will check the correct French spelling of this name and correct the domain name submitted for registration if necessary. This verification and this correction will relate strictly to the necessary presence of the diacritics specific to the French language of the domain name to be registered.⁹

PointQuébec continues to show that allocation and usage of French domain names in .quebec is at the center of the mission of the gTLD.

With an eye on the future, will any policy changes be made now?

Further, now that a hypothetical 2026 application window has been announced (initially at ICANN77¹⁰ in early June but then formalized in The New gTLD Program: Next Round Implementation Plan¹¹ in late July), PointQuébec again brought up what was formerly known as the “.quebec issue” – now the “diacritics issue” – which has then been discussed in various ICANN policy contexts:

- 22 June 2023: Letter from Jonathan Zuck, At-Large Advisory Committee (ALAC) Chair to Sebastien Ducos, Generic Names Supporting Organization (GNSO) Chair¹²
- 24 July 2023: Paper created by policy support staff to help GNSO Council understand the issue¹³
- 24 August 2023: GNSO Council Meeting¹⁴ Discussion
- 14 September 2023: Guidance Statement on “.québec” from the GNSO Council to the Expedited Policy Development Process on Internationalized Domain Names (EPDP-IDNs) Team¹⁵
- 23 October 2023: ICANN78: Joint Session: Governmental Advisory Committee (GAC) and GNSO¹⁶ Discussion
- 25 October 2023: GNSO Council Meeting Discussion¹⁷
- 26 October 2023: ICANN78: GNSO Wrap-up¹⁸ Discussion

Per the current policy, the problem statement boils down to:

An applied-for gTLD string, which is NOT an allocatable variant label of another string (existing or applied-for) according to [Root Zone Label Generation Rules], is widely recognized by users as its equivalent variation and may be determined to be confusingly similar (i.e., in which case, it would not pass the String Similarity Review).¹⁹

That is, in a world where .quebec exists, an application for .québec could be submitted, but the strings would be found to be ‘similar’ which would fail the ‘String Similarity Review’ and the .québec application would not be allowed to continue.

The GNSO Council’s take is that this is a problem and it:

understands the seriousness of the issue and the potential harm to the interests or needs of the intended language communities for the “.québec” string. The GNSO Council also understands that this challenge may be a broader challenge affecting other future applicants of nonvariant but confusingly similar strings beyond “.québec.” As such, the GNSO Council agrees that requesting an Issue Report to thoroughly research and scope the problem is the appropriate step forward.²⁰

However, in the ICANN78 GNSO Wrap-up meeting²¹, the GNSO Council landed on the idea of doing a ‘Study’ on the issue instead of an Issue Report, as the study wouldn’t require a vote of the GNSO Council (which an Issue Report would) and there is no guarantee that this issue will require a PDP, with the Issue Report being the first step in a PDP. That said, the GNSO Council is acknowledging the issue as an important one and will continue to address it given that the GAC mentioned that it “strongly supports a multilingual Internet free from barriers in existing policy and looks forward to continued engagement with the GNSO Council on this issue,” as part of its follow-up Communiqué.²²

Side note: There is an existing IDN ccTLD Fast Track Process that is in use for ccTLDs that want to have IDN variants of their existing ccTLDs. In the case of the ccTLD “.eu”, an exception that was made in that process that allowed EURid —

the existing .eu registry operator – to be awarded the ccTLD even though it was not an ‘allocatable variant label’ for .eu.²³ Perhaps something similar will come into play in this gTLD space eventually, though time will tell.

Where does the diacritic issue go from here?

We will continue to monitor the policy space and see where the diacritic issue lands and how it affects both existing gTLDs and future applications. With ICANN’s goals of enhancing innovation, competition, and consumer choice in the New gTLD Program and enabling gTLDs in non-ASCII scripts²⁴, issues like this one will be important to the program and can affect users of the DNS across the globe.

1. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1710000901>
2. <https://natural-resources.canada.ca/earth-sciences/geography/origins-canadas-geographical-names/origin-names-canada-and-its-provinces-and-territories/9224>
3. <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/discover-canada/read-online/canadas-history.html>
4. <https://www.thecanadianencyclopedia.ca/en/article/province-of-quebec-1763-91>
5. https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/201155E
6. *Ibid.*
7. <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2022052-eng.htm>
8. <https://gtldresult.icann.org/applicationstatus/applicationdetails/556>
9. <https://registry.quebec/>
10. <https://icann77.sched.com/event/1NMwy/gds-new-gtld-program-next-round-implementation-status-recap-and-qa>
11. <https://newgtlds.icann.org/sites/default/files/new-gtld-next-round-implementation-plan-31jul23-en.pdf>
12. <https://gnso.icann.org/sites/default/files/policy/2023/correspondence/zuck-to-ducos-22jun23-en.pdf>
13. https://mm.icann.org/pipermail/council/attachments/20230817/035c9620/DiscussionPaperAbout_qubecChallenges-0001.pdf
14. <https://community.icann.org/display/gnsocouncilmeetings/Final+Proposed+Agenda+2023-08-24>
15. <https://gnso.icann.org/sites/default/files/policy/2023/correspondence/gnso-council-et-al-to-epdp-idns-team-et-al-14sep23-en.pdf>
16. <https://icann78.sched.com/event/1T4JF/joint-session-gac-and-gnso>
17. <https://community.icann.org/display/gnsocouncilmeetings/Final+Proposed+Agenda+2023-10-25+-+Part+1>
18. <https://icann78.sched.com/event/1T4Js/gac-wrap-up>
19. https://mm.icann.org/pipermail/council/attachments/20230817/035c9620/DiscussionPaperAbout_qubecChallenges-0001.pdf
20. <https://gnso.icann.org/sites/default/files/policy/2023/correspondence/gnso-council-et-al-to-epdp-idns-team-et-al-14sep23-en.pdf>
21. <https://icann78.sched.com/event/1T4Js/gac-wrap-up>
22. <https://gac.icann.org/contentMigrated/icann78-hamburg-communique>
23. https://mm.icann.org/pipermail/council/attachments/20230817/035c9620/DiscussionPaperAbout_qubecChallenges-0001.pdf
24. <https://newgtlds.icann.org/en/about/program>



New gTLDs 101

Defining the space

The Internet Corporation for Assigned Names and Numbers (ICANN) ecosystem and community have a wealth of associated acronyms and terminology. In our new New gTLDs 101 series we'll review some of these key terms to get you caught up on their meaning and how they affect the New gTLD space.



The What and Why of EBERO

This report's acronym is EBERO which stands for:

Emergency BackEnd Registry Operator

Breaking this term down further gets us to two parts:

Emergency: an unforeseen combination of circumstances or the resulting state that calls for immediate action.¹

BackEnd Registry Operator (BERO): An organization contracted by a registry to run one or more of the Critical Functions of a gTLD registry.²

We are now on the path to some meaning here: when something bad happens to a gTLD, a BERO fills the gap.

So, what exactly does that mean in the ICANN world?

ICANN's first core value is: preserving and enhancing the operational stability, reliability, security, and global interoperability of the Internet. As far back as 2006, ICANN established a comprehensive plan to be followed in the event of financial, technical, or business failure of a registry operator, including full compliance with data escrow requirements and recovery testing. This is now built into what is now called the Registry Continuity Framework, which identifies the need for handling situations where Critical Registry Functions are negatively affected.³

When ICANN developed the New gTLD Program in 2012, it inserted this concept into the Base Registry Agreement⁴, which ICANN and a registry operator sign as part of the contracting process when a gTLD is awarded. Section 2.13 of Specification 2 of the Registry Agreement mentions that ICANN may designate an emergency interim registry operator (the "Emergency Operator") when any of the emergency thresholds for registry functions are reached.⁵ This "Emergency Operator" is now what we consider to be the EBERO.



ICANN initiated a Request for Information (RFI) in 2011 to find EBEROs⁶ which resulted in the first EBEROs being selected in 2013-2014⁷ (CNNIC, CORE Association, and Nominet). As ICANN notes:

EBERO providers are organizations that have demonstrated years of experience operating domain name services, registration data directory services, and extensible provisioning protocol services. They have entered into five-year contracts with ICANN to operate the five critical registry functions in the event of a gTLD registry operator failure.⁸

ICANN then initiated a Request for Proposal (RFP) for a second wave of EBEROs in 2018⁹; and the following current EBEROs were selected and signed their EBERO agreements with ICANN in 2019: CIRA, CNNIC, and Nominet.¹⁰

As a registrant, why do I care about the EBERO?

The EBERO acts as a layer of protection for your domain names as in the case that a registry operator is no longer able to support the registry functions as listed above.

For instance, the first use of the EBERO program was on the gTLD .wed (associated with weddings), when ICANN designated Nominet¹¹ as the EBERO for it

on December 8, 2017.¹² Subsequent to that action, ICANN terminated the Registry Agreement with the original registry operator, Atgron, Inc., in 2021¹³, and then decided to seek a new registry operator to run the gTLD, stating that a RFP will be opened at some point.¹⁴ As of this writing, no new registry operator has been selected though the 35 .wed domains that exist are still active.¹⁵

The second instance of the EBERO program being activated was on the gTLD .desi (which “refers to the people, culture and products from the Indian subcontinent”¹⁶) just happened on October 16, 2023, when ICANN also designated Nominet¹⁷ as the EBERO.¹⁸ ICANN then terminated the Registry Agreement with the original registry operator, Desi Networks LLC, on October 28, 2023.¹⁹ As of this writing, ICANN has stated that it will seek a new registry operator to run the gTLD²⁰ but has not provided any information about opening a RFP yet to do so; the 1,865 .desi domains that exist are still active as well.²¹



Thus, in these cases, the registrants of .wed and .desi have been protected by the EBERO program while ICANN seeks new registry operators to run the gTLDs in question and keep them active for the benefit of current and future registrants.

As a registry operator, why do I care about the EBERO?

The EBERO program is tied to another important component of the New gTLD Program, the Continued Operations Instrument (COI). As stated in Specification 8, section 1, of the Registry Agreement, the COI is either a letter of credit or cash escrow deposit that shall “provide for sufficient financial resources to ensure the continued operation of the critical registry functions related to the TLD... for a period of three (3) years following any termination of the agreement.”²² So the EBERO Program is funded by the registry operator itself (by gTLD) and must be in place for the first six years of the life of the Registry Agreement.

Regarding the potential Next Round of New gTLD applications in 2026 (see The New gTLD Program: Next Round Implementation Plan²³ for details), ICANN is continuing to work through the remaining policy development from the

Final Report on the New gTLD Subsequent Procedures Policy Development Process that will be turned into the next Applicant Guidebook.

In considering the outstanding ‘pending’ recommendations in the ‘SubPro PDP Scorecard,’ the ICANN Board believes that any potential waivers from the COI for Specification 9 exempt gTLDs or Specification 13 gTLDs should not be granted as of now: “The mechanics of any successor to the COI should be known before any waivers to it can be considered.”²⁴ We will continue to monitor the ICANN Board’s thoughts on this matter going forward.

To a registry operator, the EBERO is important as it acts as a protective measure should registry functions not work successfully and exceed the emergency thresholds. It also requires resources to be committed up front to the program via putting a COI in place, which needs to be considered at the time of an application phase for a given gTLD, and may be in effect in the Next Round of applications.

EBERO, ICANN, and a resilient Internet

While it is a relatively small part of the New gTLD Program, the EBERO program is an example of how ICANN implements its mission to keep the DNS stable, reliable, and secure. Having only been used twice in the 11+ years since the New gTLD Program began in 2012, it sits in the background as an effective support mechanism, able to be deployed should another gTLD fail. Until then, it is another ICANN acronym that we now know and appreciate. Check in with us in our next report for our newest New gTLDs 101 installment.

1. <https://www.merriam-webster.com/dictionary/emergency>
2. <https://www.icann.org/registry-transition-processes-en>
3. *ibid.*
4. <https://www.icann.org/en/registry-agreements/base-agreement>
5. <https://newgtlds.icann.org/sites/default/files/agreements/agreement-approved-31jul17-en.pdf>
6. <https://www.icann.org/en/announcements/details/safe-and-secure-new-gtlds-icann-seeks-back-up-registry-operators--emergency-back-end-registry-operators-or-eberos-14-9-2011-en>
7. <https://www.icann.org/resources/pages/ebero-2013-04-02-en>
8. *ibid.*
9. <https://www.icann.org/en/announcements/details/request-for-proposal-ebero-services-17-10-2018-en>
10. <https://www.icann.org/resources/pages/ebero-2013-04-02-en>
11. <https://www.iana.org/domains/root/db/wed.html>
12. <https://www.icann.org/en/announcements/details/wed-placed-in-emergency-back-end-registry-operator-ebero-program-8-12-2017-en>
13. <https://itp.cdn.icann.org/en/files/registry-agreements/wed/wed-legal-notice-final-determination-19may21-en.pdf>
14. <https://www.icann.org/en/blogs/details/next-steps-for-the-wed-generic-top-level-domain-19-5-2021-en>
15. <https://ntldstats.com/tld/wed>
16. <https://gtldresult.icann.org/applicationstatus/applicationdetails/1824>
17. <https://www.iana.org/domains/root/db/desi.html>
18. <https://www.icann.org/en/announcements/details/desi-to-be-placed-in-the-emergency-back-end-registry-operator-program-16-10-2023-en>
19. <https://itp.cdn.icann.org/en/files/registry-agreements/desi/desi-termination-notice-28-10-2023-en.pdf>
20. <https://itp.cdn.icann.org/en/files/registry-agreements/desi/desi-legal-notice-final-determination-19-09-2023-en.pdf>
21. <https://ntldstats.com/tld/desi>
22. <https://www.icann.org/en/registry-agreements/base-agreement>
23. <https://www.icann.org/en/system/files/files/new-gtld-next-round-implementation-plan-31jul23-en.pdf>
24. <https://www.icann.org/scorecard-subpro-pdp-board-action-10sep23-en.pdf>

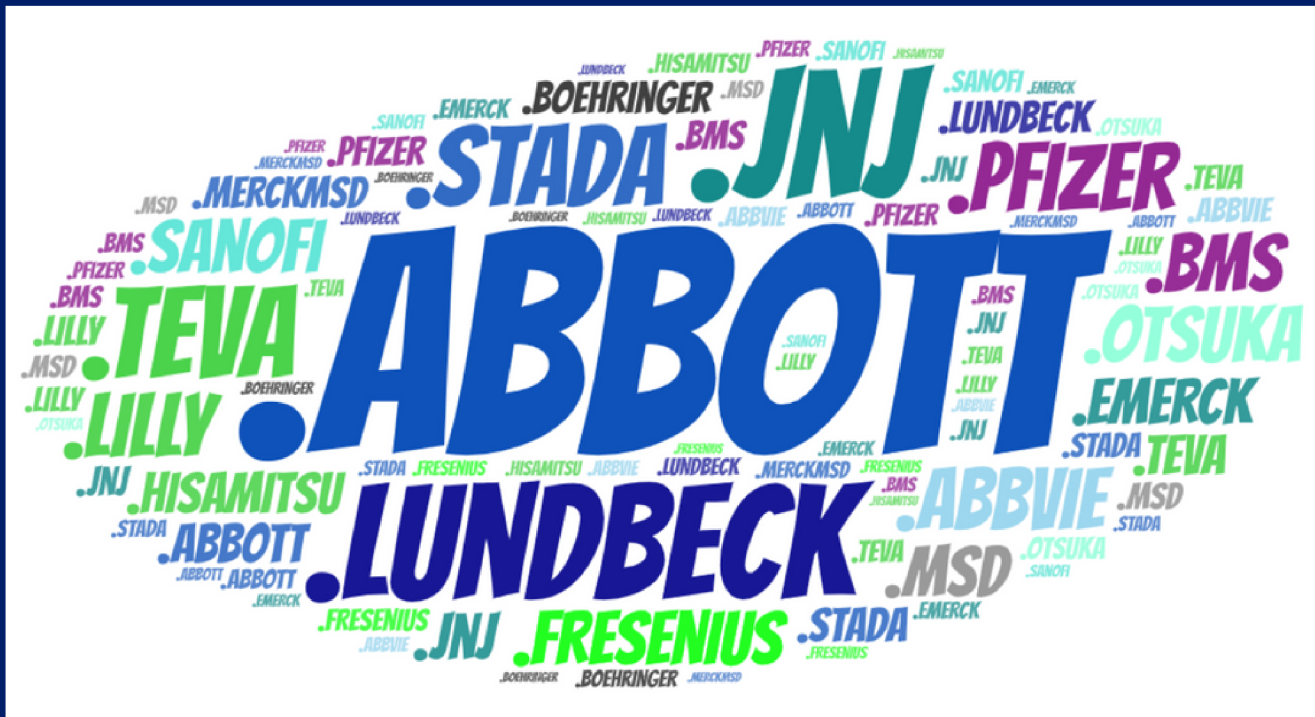


Just what the Doctor ordered?

Pharma .brand gTLD usage in 2023

We reviewed 1,175 domain names across 17 new gTLDs owned by registry operators that are large pharmaceutical companies to see usage patterns in late 2023.¹





In our review, we found some points of interest, as shown below:

Strategy of using market-specific (country or region) active websites (generally in local languages):

- **.abbott**
 - using on 70 .brand domains
 - For example, ar.abbott (“ar” being an abbreviation for Argentina) points to the *Abbott* Latin America website (www.latam.abbott).
- **.teva**
 - using on 52 .brand domains
 - swe.teva (“swe” being an abbreviation for Sweden) points to the Teva Swedish website (www.teva.se).

Strategy of blanket redirect to global homepage:

- *Lundbeck A/S* has nearly all of its .brand domains (247 of a possible 256) — irrespective of label — pointing to its global landing page. For instance, app.lundbeck points to: www.lundbeck.com/global.

Strategy of redirecting identified country URLs to registry’s operator main URL:

- *Stada* is a German pharma company and has 52 domains which have labels containing two-character country abbreviations (such as ee.stada for Estonia or vn.stada for Vietnam) that all point to the companies main

German website:
www.stada.de.

Dual language strategy in domain labels:

- *Fresenius SE & Co. KGaA* is a pharmaceutical and healthcare company based in Germany; it has a group of 33 active .brand websites that are grouped by variations of translations (German and English) in their respective labels:

- [karriere.fresenius](#)
- [karrieren.fresenius](#)
- [karriere-mit-sinn.fresenius](#)
- [karrieremitsinn.fresenius](#)
- [sinnvoll-karriere-machen.fresenius](#)
- [career.fresenius](#)
- [careers.fresenius](#)
- [career-with-a-purpose.fresenius](#)
- [careerwithapurpose.fresenius](#)
 - These all point to the main Fresenius German website: fresenius.com/de.

Percent of .brand pharma websites that currently resolve:

WEBSITE RESOLVES TO CONTENT?	YES	NO	TOTAL DOMAINS	% RESOLVE
.bms	2		2	100
.msd	1		1	100
.lundbeck	255	1	256	99.61
.hisamitsu	26	1	27	96.3
.emerck	9	1	10	90
.fresenius	39	5	44	88.64
.stada	105	16	121	86.78
.teva	70	23	93	75.27
.abbott	235	122	357	65.83
.pfizer	28	26	54	51.85
.lilly	4	4	8	50
.sanofi	8	11	19	42.11
.otsuka	6	11	17	35.29
.abbvie	5	29	34	14.71
.jnj	11	119	130	8.46
.boehringer		1	1	0
.merckmsd		1	1	0
GRAND TOTAL	804	371	1175	68.43%

As you can see, levels of active resolution to content vary across the board; some of the gTLDs (.bms and .msd) have a low number of sites but they are all active so they have 100% resolution. *Lundbeck A/S* appears to

have a policy of activating websites on nearly all of its .brand domains (99.61% active).

There are a number of gTLDs with resolution rates at 50% or below; Markmonitor generally advises to activate all registered domains and have them point to content unless there are specific strategy reasons to not do so.

That said, on a related note, in the recent Brand Registry Group meeting at ICANN78, *Fox Registry, LLC* discussed the following about its strategy:

[W]e've decided that all internal websites will only be on .fox domain names. There's just a huge security benefit of anything coming in internally that's not on a .fox, you can block it immediately.

We have 113 of those internal active websites that are resolving, that are being used. But we've got over 100 of these just across our website that you're not going to see publicly. So our strategy has been different than others.²

So, it is good to keep in mind that while we can observe some level of what .brand gTLDs are doing externally, it may not be clear what they are doing behind the scenes.

Email usage in .brand pharma domains

Another common use case with .brand gTLDs is having email set up off of a domain (that is having a MX record configured for the domain in question). While it is hard to prove that a company is actively using a particular email address unless they post it publicly on a corporate website, a configured MX record suggests that use is at least possible.

As one might expect (taking out the .lundbeck domains as they appear to do a standard DNS setup on every domain that includes a MX record), there are relatively not that many domains with MX records:

MX RECORD CONFIGURED?	YES	NO	GRAND TOTAL
.lundbeck	255	1	256
.abbott	12	345	357
.hisamitsu	12	15	27
.stada	5	116	121
.teva	3	90	93
.otsuka	2	15	17
.fresenius	1	43	44
.jnj	1	129	130

While there are 36 non-.lundbeck domains with MX records, the domains with the highest likelihood of viable use appear to be:

- [mail.abbott](#)
- [mail.teva](#)

[For completeness I will note that [email.lundbeck](#) and [mail.lundbeck](#) have MX records as well, so they could be potentially used too.]

Of note, the domains that are not set up with MX records but could be if the registry operators decided to use them are:

- [email.abbott](#) (this may be ‘negated’ as the [mail.abbott](#) domain could be in use)
- [mail.stada](#)
- [email.sanofi](#)

While user acceptance³ may cause some issues around email utilization, things in the area have continued to improve and some .brand registry operators have made the change to using a .brand domain name in their email address.⁴

What does this mean for .brands?

In 2023, .brand registry operators continue to utilize and evolve their own .brand use case strategies.

Sometimes these strategies align with a company’s overall domain management strategy (including legacy gTLDs and ccTLDs that they manage) and other times are treated in isolation from the main domain strategy.

The pharma industry seems no different as multiple ways of doing things are reflected in the 1,175 .brand domains across 17 registry operators that we reviewed. Continue to watch this space and we will update you on the usage behaviors we see from other companies and in other market segments.

1. <https://ntldstats.com/tld>, pulled November 24, 2023.
2. <https://icann78.sched.com/event/1T4KN/gnso-rysg-brand-registry-group-membership>
3. <https://www.icann.org/ua>
4. <https://global.canon/en/news/2018/20180808.html>



The Big Picture:

New gTLDs since 2015 compared to .com and ccTLDs

It is wise to occasionally pull back to a macro level view on the domain industry and see how many domain names overall are registered – as noted in our prior report¹, everything has always been centered on one number, “domain count.”



What are we comparing?

While this ‘domain count’ is usually considered in relation to a specific generic Top-level Domain (gTLD), it can be broadened to a point of comparison across whole classes of TLDs. That is, new gTLDs can be reviewed in context against ‘legacy gTLDs’ (like .com) as well as country code Top-level Domains (ccTLDs).

In combining information provided by Verisign² about .com and ccTLDs and nTLDstats.com³ on new gTLDs, we produced the following charts:

Figure 1

Domain Counts Q2 2015 - Q3 2023

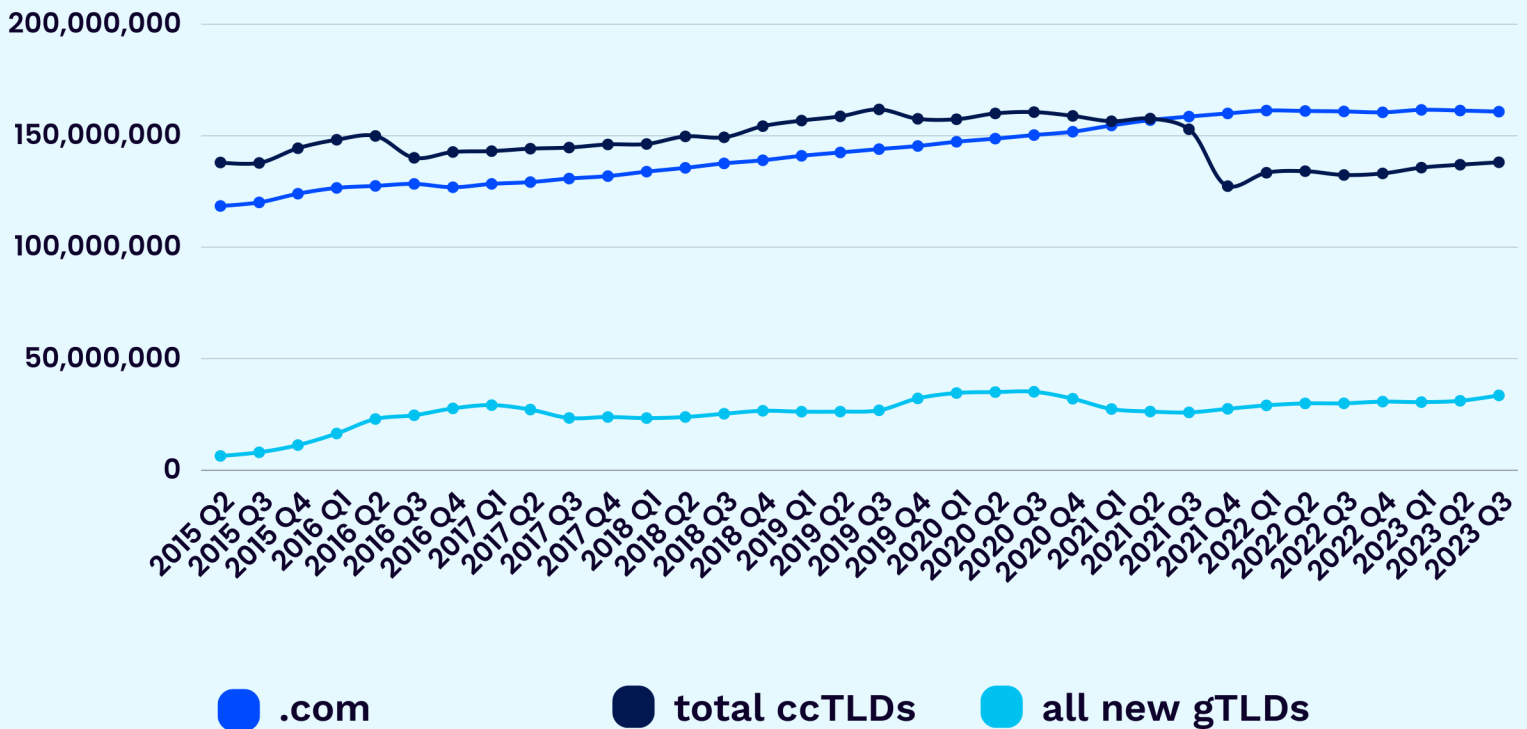


Figure 2

QUARTER	TOTAL .COM DOMAINS	TOTAL CCTLD DOMAINS	TOTAL NEW GTLD DOMAINS
2015 Q2	118,500,000	138,000,000	6,403,961
2015 Q3	120,100,000	137,800,000	8,026,307
2015 Q4	124,000,000	144,400,000	11,267,895
2016 Q1	126,600,000	148,200,000	16,455,311
2016 Q2	127,500,000	149,900,000	22,961,463
2016 Q3	128,400,000	140,100,000	24,641,706
2016 Q4	126,900,000	142,700,000	27,724,227
2017 Q1	128,400,000	143,100,000	29,183,744
2017 Q2	129,200,000	144,200,000	27,191,097
2017 Q3	130,800,000	144,700,000	23,424,055
2017 Q4	131,900,000	146,100,000	23,861,737
2018 Q1	133,900,000	146,300,000	23,365,522
2018 Q2	135,600,000	149,700,000	23,866,550
2018 Q3	137,600,000	149,300,000	25,313,034
2018 Q4	139,000,000	154,300,000	26,638,412
2019 Q1	141,000,000	156,800,000	26,240,330
2019 Q2	142,500,000	158,700,000	26,277,264
2019 Q3	144,000,000	161,800,000	26,864,470
2019 Q4	145,400,000	157,600,000	32,213,774
2020 Q1	147,300,000	157,400,000	34,611,366
2020 Q2	148,700,000	160,000,000	35,033,699
2020 Q3	150,300,000	160,600,000	35,177,851
2020 Q4	151,800,000	158,900,000	32,060,554
2021 Q1	154,600,000	156,500,000	27,435,872
2021 Q2	157,000,000	157,700,000	26,308,907
2021 Q3	158,600,000	152,900,000	25,922,764
2021 Q4	160,000,000	127,400,000*	27,527,542
2022 Q1	161,300,000	133,400,000	29,071,310
2022 Q2	161,100,000	134,100,000	29,963,614
2022 Q3	160,900,000	132,400,000	29,986,352
2022 Q4	160,500,000	133,100,000	30,750,908
2023 Q1	161,600,000	135,700,000	30,530,790
2023 Q2	161,300,000	137,000,000	31,125,085
2023 Q3	160,800,000	138,100,000	33,556,929

*Verisign noted it changed methodology in this report due to inconsistencies from various registry operators.⁴

While it is not an entirely representative sample of all legacy gTLDs (not including .net, .org, and others), these numbers do give a flavor of the size of the legacy gTLD space – .com is by far the largest of the legacy gTLDs by domain count.

What do the numbers say?

For .com, it's been a long tale of nearly quarter-over-quarter growth until some rough 'flattening' starting in the last eight quarters, when the domain count stayed in the 160-161M range.

With the ccTLDs – aside from a bit of a dip in the middle of 2016 – growth was steady until around mid-2020 followed by a decrease for four quarters (Q4 2020 to Q3 2021) before the totals were reconsidered per the methodology noted by Verisign. From that point forward, there was some lesser variability with an uptick in the last two quarters measured.

As for new gTLDs, there are two bulges, one in the mid-2016 to mid-2017 timeframe, with the second coming in late 2019 through late 2020. From there a relative low point was reached in early 2021 and then there has been steady return to growth over the last eight quarters. Are new gTLDs going to reach a new high? Or stay below the previous 2020 peak?

What contributes to these numbers?

The usual suspects are:

Domain price

This can come into play in a few ways:

- **Legacy gTLDs and new gTLDs:** on the registry operator side (cost) and the registrar side (price). Depending on a given registry operator's business model, registrations may have a low cost overall and/or there may be additional short term marketing incentives provided ("dollar registrations" for the first year, for example). Lower costs can lead to higher number of registrations, at least in the short term; over time if costs continue to rise this may lead to lower numbers of overall registrations. However, some registry operators will have higher costs in order to purposefully 'clean out' their name space as bad actors generally will not pay high registration costs. These higher costs can sometimes act as a de facto 'defensive registration' and keep cybersquatters away, such that a brand holder may not need to directly register in the gTLD in question unless they truly want to use the domain actively.

- **ccTLDs:** This can vary as in many cases, ccTLDs will have a ‘direct’ model where a registrant can purchase a domain directly from the ccTLD operator. In those cases, where the ‘middleman’ registrar is removed, pricing may be low or even free depending on whether the ccTLD/country in question is attempting to drive domain registration for its users/citizens. Alternatively, in large countries, ccTLD pricing may be set more on costs of what it takes to run a registry (a ‘cost recovery’ model), so may be a bit higher.

Registrant eligibility

- Select gTLDs and new gTLDs and ccTLDs: For cases of ‘restricted’ registrant classes (say .cpa for accountants or ‘.aero’ for the aeronautical industry or .va for the Vatican City State), registration numbers will be much lower than an unrestricted TLD as only certain registrants are able to meet the registration requirements and successfully register domains.

While massive events like those described below are not necessarily common, they can have large effects depending on the ‘what’ of what happened.

Larger social/historical events

- **COVID-19 Pandemic:** With the worldwide shutdowns of many countries for months or years after the World Health Organization declared COVID-19 a pandemic in early 2020⁵, effects of the changed behaviors of people (more working from home and being online more often; more online crime being committed⁶; etc.) were seen in the domain space. This may help explain the bumps in registrations in Q2 and Q3 of 2020 in both the .com and new gTLD spaces and the ensuing reduction in registrations in new gTLDs a year later (in Q2 and Q3 of 2021) as potential renewals were allowed to lapse.
- **BREXIT:** When the United Kingdom left the European Union in 2020⁷(formally finalized on January 31, 2021), this massive change came to be known as ‘Brexit’ and had a number of downhill effects, some of which touched the domain sector. For example, both the ccTLDs .eu⁸ (European Union) and .fr⁹ (France) made changes to their registration policies that potentially resulted in the deletions of domain names. Changes like this may be hard to see in the ‘macro’ level view of the data we are reviewing but can influence registration counts.

- **Wars/International Conflicts:** While wars clearly result in many unfortunate outcomes (loss of life, destruction of cities, etc.), one small area that is often overlooked is their effects on the domain world, which can be important in times where communication is paramount, and information needs to be shared.
 - For instance, in the Russia-Ukraine war¹⁰, when the invasion of Ukraine started on February 24, 2022, the .ua ccTLD registry operator (“UA Hostmaster”) communicated that it was “doing everything possible and will do in the future to ensure that the entire infrastructure of the .UA domain remains operational so that the domain name system works smoothly and without failures.”¹¹ Throughout the conflict, UA Hostmaster “supported registrars who found themselves in the occupied territories and registrants who were unable to pay for their domain names on time.”¹² While the registry operator for .ua was very involved in trying to help registrants keep their domain names, some of them may well have deleted during this time. Again, while this may be difficult to parse in the broader registration numbers presented, it speaks to the fact that there can be many kinds of localized effects on registration numbers from conflicts, especially in ccTLDs across the world.

Why do I care?

Trends in the domain name space can be helpful in analyzing your corporate domain name portfolio.

From the above we can safely say:

The domain space is growing as a whole; with .com staying steady for the last two years while ccTLDs appear to be on a slow uptick for the last 15 months and new gTLDs appear to be building to another spike over the past two years.

[Side note: and that doesn’t even consider Web3 domain names (see our companion article¹³ for more details).]

What should I do about it?

Edit your domain name portfolio management strategy accordingly.

Depending on what that is, consider:

- Keeping .com front and center in your strategy; while it may not be increasing in leaps and bounds, the gTLD has kept around lifetime highs for the last two years, so the marketplace still views it as an important (if not most important) player in the game. Domain recovery like anonymous acquisitions and domain disputes will remain key tactics in this gTLD.
- Continuing to factor in ccTLDs based on your business footprint, emerging and target markets, and level of brand coverage.
- Monitoring new gTLDs based on relevance and other factors; deploy blocking services to maximize coverage of the space so that you can choose to only register new gTLDs with a true nexus to your brands and industry.

Your Domain Portfolio Advisor and other Markmonitor subject matter experts are available to assist you in implementing these tactics into your overall strategy. With a world of 22 legacy gTLDs, 260+ ccTLDs, and 1000+ new gTLDs (as well as Web3 domains), the process is never-ending but important for brand holders to manage as 2023 wraps up and we move toward a new year.

1. <https://www.markmonitor.com/report/gtld-report-q3-2023/>
2. <https://dnib.com/listing/archives/>
3. <https://ntldstats.com/tld>
4. <https://dnib.com/media/downloads/reports/pdfs/2021/domain-name-report-Q42021.pdf>
5. <https://www.cdc.gov/museum/timeline/covid19.html>
6. https://www.wipo.int/amc/en/news/2020/cyber-squatting_covid19.html
7. https://commission.europa.eu/strategy-and-policy/relations-non-eu-countries/relations-united-kingdom_en

8. <https://eurid.eu/en/register-a-eu-domain/brexit-notice/>
9. <https://www.afnic.fr/en/observatory-and-resources/expert-papers/brexit-and-fr-domain-names/>
10. <https://www.bbc.com/news/war-in-ukraine>
11. <https://www.hostmaster.ua/news/?pr20220224>
12. <https://www.hostmaster.ua/news/?pr20230601>
13. <https://www.markmonitor.com/uncategorized/nft-domains-corporate-considerations/>



Get Involved

Upcoming Public ICANN Meetings and Policy Groups

Markmonitor and the Global Industry Relations team is hard at work on the policy issues and related matters that affect corporate domain portfolio holders. Every day, we're actively looking around corners to find the next big thing that could affect policy, the Internet, and your IP assets. Please don't hesitate to let us know the concerns you have so that we can continue to fine tune our approach to policy and advocacy.



Upcoming Public ICANN Meetings

HOLA

ICANN79

Community Forum

March 2 - 7, 2024

San Juan, Puerto Rico

MURAHU

ICANN80

Policy Forum

June 10 - 13, 2024

Kigali, Rwanda

If you are interested in getting more involved with ICANN and policy work, please consider joining the following groups (as relevant to your business):

- ICANN Business Constituency, icannbc.org
- Intellectual Property Constituency, ipconstituency.org
- Brand Registry Group, brandregistrygroup.org

Should you need any further information or assistance, please contact your Domain Portfolio Advisor (DPA) or email [**customer.service@markmonitor.com**](mailto:customer.service@markmonitor.com)

Markmonitor provides strategic domain management solutions that help protect the revenue and reputation of the world's leading brands. Since 1999, Markmonitor has served the domain portfolio needs of businesses around the globe, including many of the most visited websites in the world. An ICANN accredited domain registrar since its establishment, Markmonitor leverages its extensive industry relationships, innovative technology, and broad expertise to manage and protect company domain portfolios, all with data driven, white-glove consultation designed to maximize domain portfolio value.