

EURID'S QUARTERLY PROGRESS REPORT

First Quarter 2010



EURid

The European Registry of Internet Domain Names

www.eurid.eu



Prague at night-time
Photo: iStockphoto



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Update

The .eu top-level domain and its registry, EURid, saw a variety of developments over the first quarter of 2010. These include the items highlighted below.

Progress on DNSSEC implementation

EURid is moving toward Domain Name System Security Extensions (DNSSEC), an Internet standard that verifies and validates nameserver responses. During the first quarter, a new version of the .eu DNSSEC testbed was made available on 24 February. EURid added a DNSSEC (NSEC3) nameserver, EUSEC. Registrars can now test the linking of keys to a .eusec domain name in real time.

EURid has also been looking for registrars to help test the .eu DNSSEC application through a staging account on the .eu testbed.

Technical developments for registrars

The number of parallel connections allowed when connecting to the .eu production systems has been increased from two to four in March. The number of times a registrar can be unblocked has increased to two per calendar month.

New Communications initiatives

In February, EURid launched .eu identity, a magazine to be produced twice yearly (and three times exceptionally this year) that features inspirational success stories of .eu websites. The current edition focuses on the fashion industry, but also includes tips on online marketing and business.

EURid also launched its own YouTube channel (www.youtube.com/europeanregistry), which features the latest .eu promotional videos

Invitation to ICANN meeting

EURid extended an invitation to the ICANN Nairobi meeting participants for the next ICANN meeting that it will host in Brussels from 20 to 25 June. The invitation included a video presentation with a message from Mr Herman Van Rompuy, President of the European Council. The community reacted enthusiastically and Mr Peter Dengate Thrush, Chairman of the ICANN board, commented: "Excellent presentation, very exciting. I and the rest of the Board look forward to meeting up with you and the rest of the community in Brussels in June." Like with all ICANN meetings, the Brussels meeting is open to the public and all interested parties are welcome.

From the General Manager

A new study commissioned by EURid came out in January which presented with motivating findings. The study was conducted by independent research agency Insites Consulting and ran between December 2009 and January 2010. Data was gathered via an online survey across all 27 EU Member States and online discussion groups in Italy, the Netherlands and the United Kingdom. The study aimed at exploring the characteristics of .eu as a brand, and found that .eu was perceived by participants as being innovative, trustworthy, reliable and professional when compared to other top-level domain names (TLDs).

This is excellent news for us, and we are especially pleased that .eu is associated with trust. We are proud to have established a reputation of trustworthiness in just four years of operation. When dealing in the digital world, trust is a very big priority to both users and businesses. Online safety directly impacts reputations, and because of this, we are moving toward Domain Name System Security Extensions (DNSSEC).

We are progressing well on this front, and have begun testing the application with select registrars through a staging system. Our hope is to offer DNSSEC by the end of next quarter. We are constantly striving to improve the safety of our systems to ensure that .eu domain-name holders and the visitors to their sites have the service they expect. This is another example of why .eu inspires trust.

“Online safety directly impacts reputations, and because of this, we are moving toward Domain Name System Security Extensions (DNSSEC).”



Marc Van Wesemael

About EURid and .eu

EURid is the not-for-profit organisation appointed by the European Commission to operate the .eu top-level Internet domain. The first initiative to establish .eu as a European top-level domain (TLD) was taken in 1999 by the European Council. Subsequently, EURid was appointed in May 2003 as the operator of the .eu registry. The actual service contract was signed in October 2004. The .eu TLD was added to the root zone of the Internet Domain Name System in May 2005. Technically speaking, .eu has been in existence since then.

Between 7 December 2005 and 6 April 2006, the .eu registry began accepting applications for domain names on a limited basis. Only those individuals and organisations holding legal protection for a name within a Member State of the European Union were eligible to apply during that time. This stage of phased registration is referred to as the Sunrise Period. On 7 April 2006, EURid opened the .eu TLD for general registration on a strictly first-come, first-served basis.

The three organisations operating the national registries for Belgium, Italy and Sweden founded EURid in April 2003. Later, the organisations operating the TLDs for the Czech Republic and Slovenia also became members. The European Chapter of the Internet Society (ISOC) joined EURid in 2006, followed by the BusinessEurope organisation in 2007.

EURid's head office, which is also the regional office for Western Europe, is located just outside Brussels in Diegem, Belgium. There are three other regional offices located in Pisa, Italy; Prague, the Czech Republic; and Stockholm, Sweden. Each office provides support for registrars and the general public in languages local to its region.

The total number of registrations at the end of Q1 2010 represented an increase of 6.8%, or 207 266 registrations, when compared to the total number at the end of Q1 2009.

International

During the first quarter of 2010, EURid participated in the following events:

- Domain Pulse, Lucerne, Switzerland 1-2 February 2010
- 19th CENTR Administrative workshop, Lucerne, Switzerland, 3 February 2010
- 41st CENTR General Assembly, Warsaw, Poland, 25-26 February 2010
- 37th ICANN Meeting, Nairobi, Kenya, 7-12 March 2010
- Webhosting Day, Cologne, Germany, 19 March 2010

The Registrar Advisory Board met on 12 February in Brussels. New members were appointed to the Registrar Advisory Board at the end of March.

German residents have by far the most .eu domain name registrations, followed by residents of the Netherlands and the United Kingdom.

The .eu domain

During Q1 2010, the number of .eu registrations increased by 105 724 domain names, or 3.4%, to 3.25 million. The total number of registrations at the end of Q1 represented an increase of 6.8%, or 207 266 registrations, when compared to the total number at the end of Q1 2009.

During Q1 2010, 20 722 domains out of 3.25 million were traded. This means that about one domain out of 157 was traded; a decrease from Q4 2009 when one in 140 was traded. In addition, there were a total of 903 accredited .eu registrars by the end of the quarter. Finally, the countries in the top ten list of registrations based on country of registrar accounted for 84.4% of all .eu registrations.

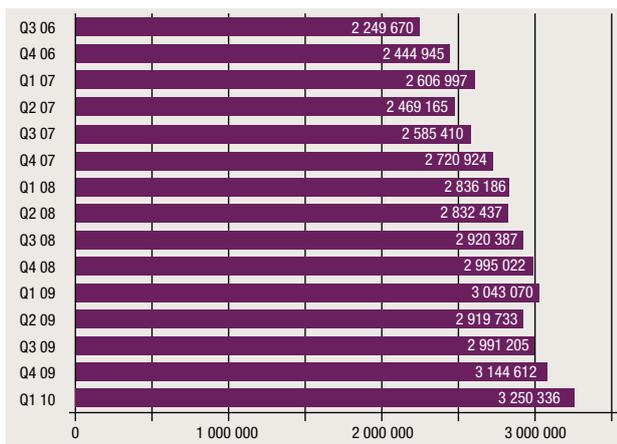
During the first quarter, the total number of .eu registrations increased in 24 of the 27 EU Member States. Exceptions were

Cyprus, Finland and Romania. Malta saw a growth of more than 10%.

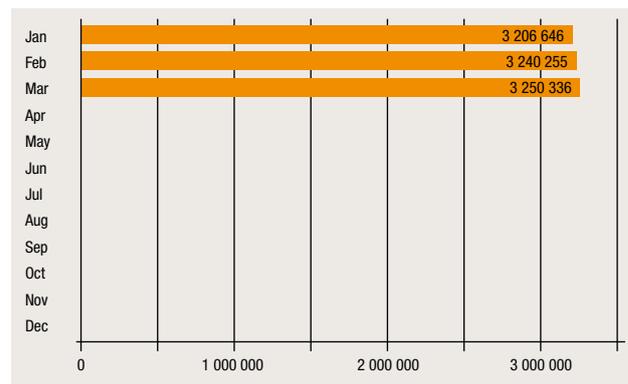
Market for other TLDs

The national ccTLD market in EU countries[1] increased by 2.1% during Q1 2010, and grew by 11.2% from Q1 2009. Within the European Union, the market for gTLD domain names such as .com, .net, .org, .info and .biz grew by 5.2% during Q1 2010 and by 15% from Q1 2009 according to statistics from Zooknic.

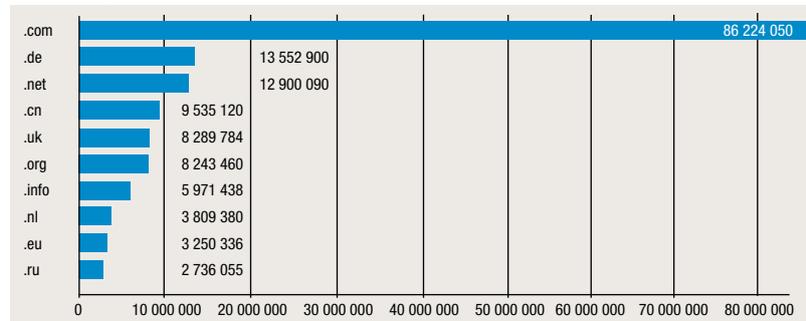
Total .eu domain name registrations by quarter [1]



Total .eu registrations by month, 2010



World top ten TLDs



During Q1, .eu maintained its position as the ninth-largest TLD in the world.

[1] Data from national registry websites was not available for Bulgaria, Cyprus, Greece and Malta.

New registrations, deletions and renewals

There were 227 007 new .eu registrations in Q1 2010. The number of new registrations per day during all three months of the quarter was higher than during the same months of 2009.

There were 7899 new IDN registrations in Q1. The number of IDNs in our portfolio increased by 11% to 66 408 which represents 2% of our total portfolio. Registrants can delete domain names they no longer find useful from the .eu registry through their registrars. During Q1 2010, there were 124 916 deletions. A domain name headed for deletion is quarantined for 40 days after the date specified in the deletion request. It can be reactivated during that period only at the request of the former registrant. The quarantine period is a safeguard to prevent domain names from being deleted by mistake. The deleted name becomes available for general registration after the quarantine period.

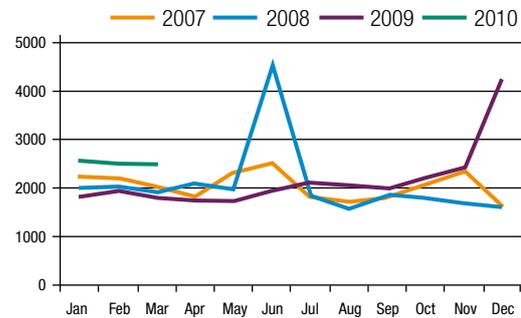
When combined, the new registrations and deletions for Q1 showed a net increase of about 1 134 names per day. Renewal rates stayed strong during Q1 at an average of 79%, somewhat higher than the industry average.

Renewal rates by percentage

Month	2010	2009	2008	2007
January	77%	78%	79%	100%
February	79%	78%	80%	100%
March	81%	79%	83%	99%
April		84%	84%	81%
May		80%	81%	82%
June		69%	80%	86%
July		80%	82%	84%
August		81%	82%	80%
September		79%	82%	83%
October		78%	82%	82%
November		79%	79%	83%
December		79%	80%	84%

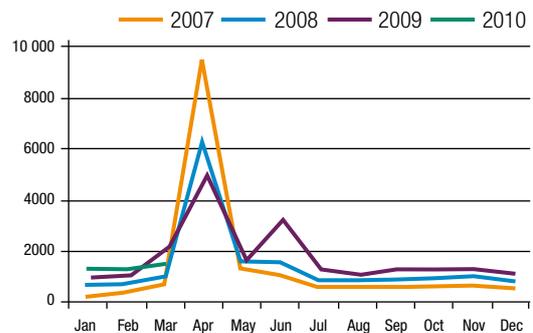
Renewal rates remained strong in Q1, at an average of 79%, somewhat higher than the industry average.

New .eu registrations per day



The registration levels for .eu keep growing over the years.

Deletions per day



The month of April sees a spike in deletions each year, as many domain names come up for renewal then. April is the month the .eu domain was officially launched. Similarly, a successful .eu promotion campaign in 2008 meant that a large number of .eu registrations came up for renewal in June 2009, and the number of deletions followed.

Net growth per day



As discussed above, Q1 saw a growth of about 1 134 names per day.

Trades and transfers

When a domain name changes hands, EURid calls the process a “trade”. The registrar for the new registrant initiates the trade, which must then be confirmed by both the existing registrant and the new holder of the domain name. During Q1 2010, 20 722 domains out of 3.25 million were traded. This means that about one domain out of 157 was traded; a decrease from Q1 2009, when one in 140 was traded.

When a registrant wishes to change registrars, this is known as a domain name “transfer”. Transfers can be carried out at any time. A transfer is initiated by a registrant’s new registrar and must be confirmed by the registrant before it is processed. During Q1 2010, about one domain out of 196 was transferred, for a total of 16,566 transfers. During the same quarter last year, about one out of 170 was transferred.

.eu in use

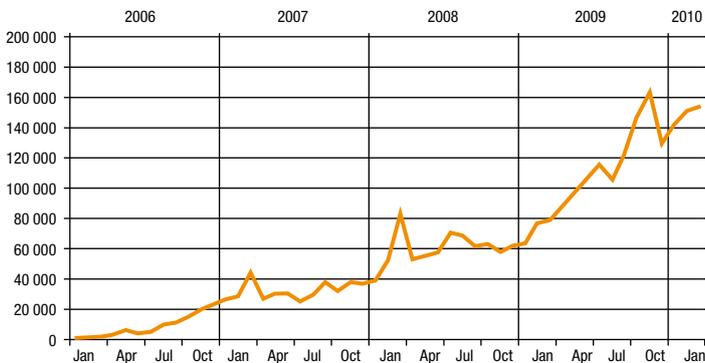
One method of determining the actual use of .eu domain names is by measuring DNS queries to the .eu nameservers. The graph shows the average number of queries per minute for each month. The number of DNS queries has grown steadily since the launch of .eu.

Completed trades and transfers

Trades				
Month	2010	2009	2008	2007
January	6 541	5 443	4 941	6 553
February	5 669	6 119	8 202	8 656
March	8 512	10 033	17 004	15 935
April		17 925	55 764	25 869
May		6 016	20 057	6 481
June		5 875	9 097	12 957
July		5 355	5 451	5 034
August		5 195	3 625	6 010
September		5 650	4 431	4 177
October		6 389	6 274	5 344
November		4 865	4 246	5 746
December		4 900	6 118	4 419

Transfers				
Month	2010	2009	2008	2007
January	3 951	4 602	4 313	3 564
February	5 097	5 311	4 609	5 278
March	7 518	7 982	10 190	36 458
April		12 582	10 863	69 060
May		4 606	4 968	12 895
June		4 869	4 474	4 230
July		3 575	3 944	3 448
August		2 952	3 714	3 667
September		3 509	4 124	4 428
October		4 102	4 132	3 729
November		3 602	4 018	3 382
December		3 419	5 122	3 578

DNS queries per minute



The number of DNS queries has grown steadily since the launch of .eu.

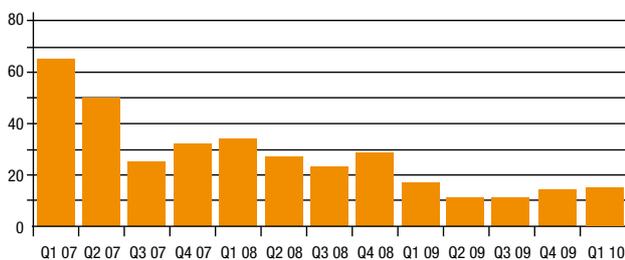
When combined, the new registrations and deletions for Q1 showed a net increase of about 1 134 names per day.

Domain name disputes

To protect intellectual property rights, an alternative dispute resolution (ADR) policy was established for .eu domain name disputes. This policy is described in more detail in EC Regulation 874/2004. The dispute resolution procedure is administered by the Czech Arbitration Court, an independent body offering its services in all EU languages.

The ADR process for .eu disputes is similar to the dispute processes offered by most major top-level domain registries.

Domain name disputes filed by quarter

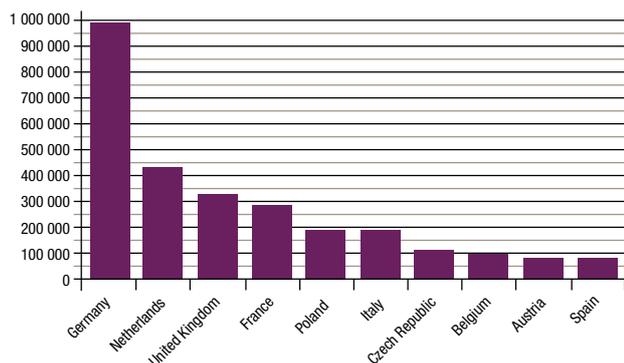


A total of 15 alternative dispute resolution cases were filed during Q1 2010, compared to 14 during Q4 2009 and 17 during Q1 2009. The Czech Arbitration Court published 11 ADR decisions during Q1, ten of which were in favour of the complainant.

The registrants

The countries in the top ten list account for 84.4% of all .eu registrations. German residents have by far the most .eu domain name registrations, followed by residents of the Netherlands and the United Kingdom.

Top ten countries with most .eu registrations



Residents of Spain now have more registrations than residents of Sweden, pushing Sweden out of 10th place.

Total number of .eu domain names by country of registrant, Q1 2010

Country	Total names
Aaland Islands	214
Austria	83 693
Belgium	99 505
Bulgaria	12 987
Cyprus	52 696
Czech Republic	111 089
Denmark	38 818
Estonia	10 121
Finland	15 111
France	286 341
French Guiana	29
Germany	994 804
Gibraltar	3 936
Greece	31 233
Guadeloupe	226
Hungary	34 531
Ireland	51 312
Italy	188 142
Latvia	6 267
Lithuania	12 745
Luxembourg	27 006
Malta	4 995
Martinique	272
Netherlands	437 283
Poland	191 068
Portugal	12 753
Reunion	317
Romania	20 738
Slovakia	23 697
Slovenia	7 515
Spain	81 066
Sweden	80 869
United Kingdom	327 512

The table above is based on country codes. Some EU Member State territories (such as Gibraltar, the Aaland Islands and Guadeloupe) have their own country codes, which is why they are included in the list.

Popularity of .eu in comparison to ccTLD registrations

Country	.eu/1000	ccTLD/1000
Cyprus	65.7	N/A
Luxembourg	53.8	100.8
Netherlands	26.4	229.8
Germany	12.2	165.8
Malta	12.0	N/A
Ireland	11.5	32.0
Czech Republic	10.6	63.5
Austria	10.0	111.3
Belgium	9.2	94.2
Sweden	8.7	101.6
Estonia	7.6	57.5
Denmark	7.0	190.9
EU	6.5	78.0
United Kingdom	5.3	133.6
Poland	5.0	46.4
France	4.4	26.2
Slovakia	4.4	38.8
Lithuania	3.8	34.0
Slovenia	3.7	38.3
Hungary	3.4	49.4
Italy	3.1	31.0
Finland	2.8	44.0
Latvia	2.8	35.6
Greece	2.8	N/A
Spain	1.8	26.1
Bulgaria	1.7	N/A
Portugal	1.2	29.1
Romania	1.0	21.0

The figures above show the number of domain names per 1 000 inhabitants at the end of Q1 2010. They are based on population data from Eurostat and ccTLD information from national registries.

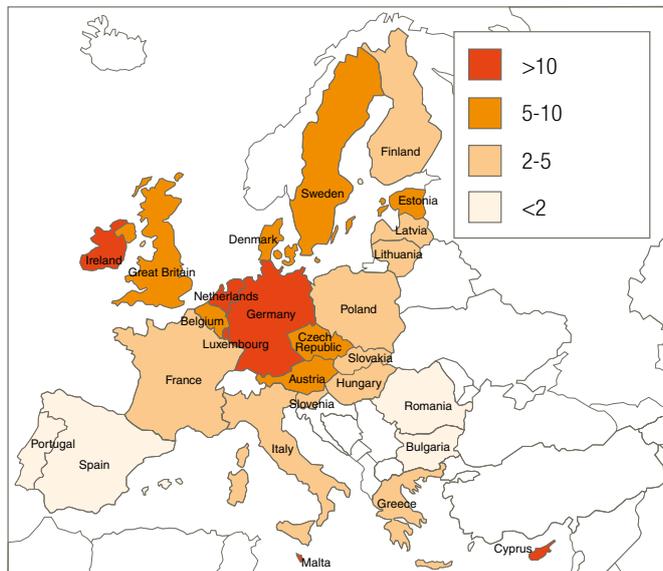
Growth by country, quarter over quarter and year over year

Country	Q1 2010 vs Q4 2009	Q1 2010 vs Q1 2009
Austria	3.4%	11.9%
Belgium	3.4%	7.7%
Bulgaria	7.2%	37.9%
Cyprus	-1.1%	-0.7%
Czech Republic	11.6%	35.6%
Denmark	0.6%	-13.5%
Estonia	7.1%	24.1%
Finland	-4.7%	2.9%
France	3.1%	13.9%
Germany	2.6%	6.9%
Greece	2.8%	25.3%
Hungary	7.1%	18.9%
Ireland	0.0%	0.0%
Italy	9.1%	13.5%
Latvia	7.9%	-12.1%
Lithuania	9.1%	35.7%
Luxembourg	1.1%	-0.9%
Malta	13.4%	69.9%
Netherlands	2.1%	5.2%
Poland	6.6%	10.5%
Portugal	2.5%	8.7%
Romania	-1.1%	3.3%
Slovakia	7.8%	27.6%
Slovenia	6.5%	18.0%
Spain	5.6%	15.5%
Sweden	2.5%	-1.0%
United Kingdom	0.8%	-7.2%

By the end of Q1 2010, .eu domain name registrations had increased in all countries except Cyprus, Finland, Ireland and Romania. As shown above, the .eu domain became especially popular in Malta, Bulgaria, Lithuania and the Czech Republic over the past year.

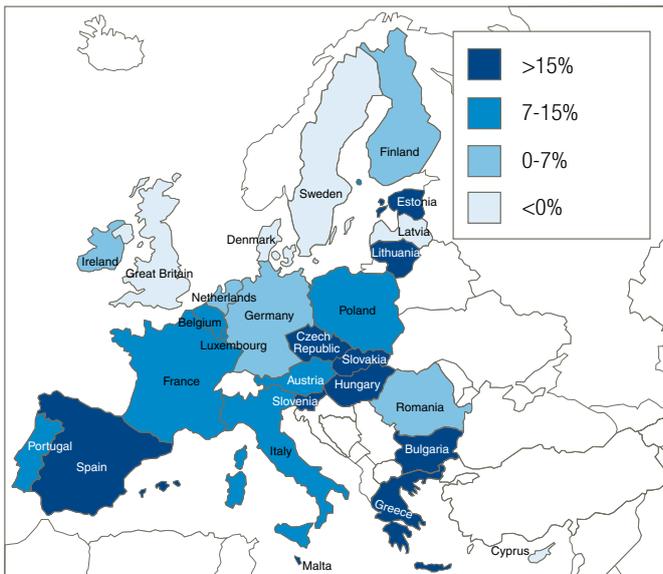
.eu domain names per 1000 inhabitants, Q1 2010

The number of .eu registrations per 1 000 inhabitants varies from a high of 53 in Luxembourg to 26 in the Netherlands and around 1 in Portugal and Romania. In general, countries with a large number of ccTLDs per inhabitant also have a large number of .eu registrations per inhabitant.



Growth by country, Q1 2010 compared to Q1 2009

The countries with the fastest relative growth year over year were Malta (70%), Bulgaria (38%) and Lithuania (36%).

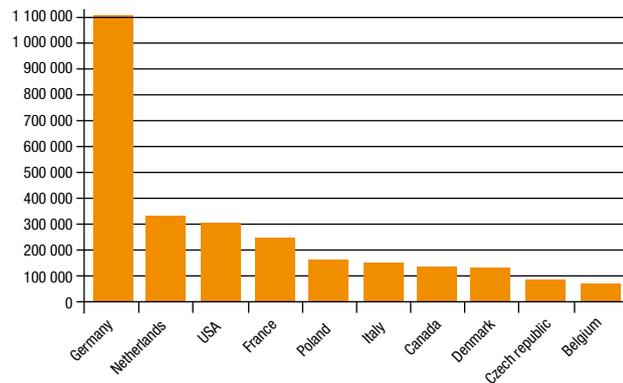


The registrars

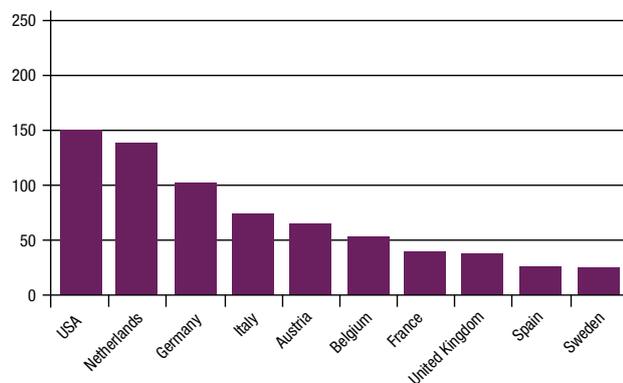
.eu registrars can be located outside the European Union. Categorising registrations by country of registrar shows many similarities with the categorisation by country of registrant (see previous graph Top ten countries with most .eu registrations). Germany, the Netherlands, France, Poland, Italy, Belgium and the Czech Republic are among the top ten countries in registrations, both by country of registrar and by country of registrant.

The USA and Canada are among the top ten countries in registrations by country of registrar even though registrations by residents of these countries are not allowed. In Q1 2010, the countries in the top ten list of registrations based on country of registrar accounted for 84.4% of all .eu registrations.

Top ten countries based on registrations by country of registrar



Top ten countries by number of .eu registrars

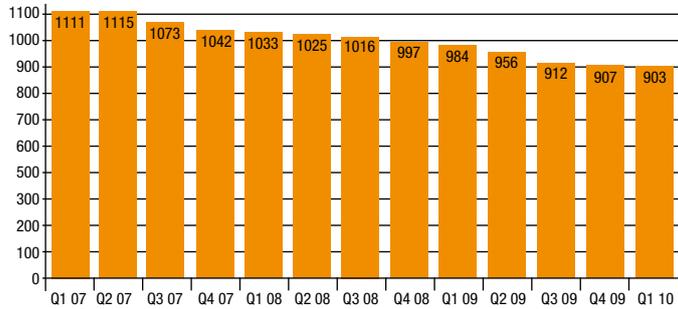


.eu registrations by country of registrar

Country	Names managed	Number of registrars
Anguilla	538	1
Australia	26 521	10
Austria	39 072	65
Bahamas	7 234	1
Barbados	776	1
Belgium	67 233	52
Bulgaria	731	2
Canada	138 207	22
Cayman Islands	306	2
China	3 092	4
Cyprus	4 164	2
Czech Republic	88 806	14
Denmark	132 153	18
Estonia	6 120	1
Finland	4 315	6
France	247 020	40
Germany	1 109 460	101
Greece	27 309	16
Hungary	22 409	17
India	39 991	1
Ireland	8 563	6
Israel	753	3
Italy	154 814	74
Japan	244	2
Korea	1 078	3
Latvia	2 545	3
Liechtenstein	302	1
Lithuania	10 035	4
Luxembourg	60 376	3
Malaysia	159	1
Malta	83	1
Monaco	9 788	1
Netherlands	338 630	138
Norway	42 369	5
Poland	164 417	13
Portugal	1 359	4
Romania	11 367	9
Singapore	949	1
Slovakia	12 990	12
Slovenia	148	2
Spain	40 905	26
Sweden	45 398	25
Switzerland	14 244	3
Taiwan	132	1
United Kingdom	59 698	36
USA	302 097	150

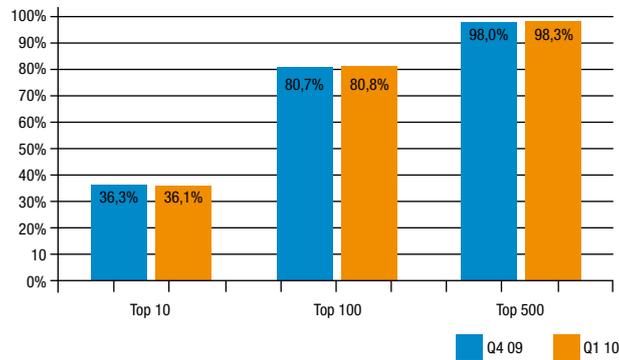
An accredited .eu registrar managed an average of 3 598 .eu domain names during Q1.

Total number of accredited .eu registrars by quarter



At the end of Q1, there were 903 accredited .eu registrars. New .eu registrars are accredited every quarter. Even so, the total number has decreased over the past several quarters. That is the result of mergers and acquisitions within the domain name industry as well as decisions by large registrars with subsidiaries to consolidate several .eu accounts into one account.

Market share of top 10, top 100 and top 500 registrars



The top 100 accredited .eu registrars manage about 81% of all registrations, which means that many registrars are small businesses. Compared to the previous quarter, the market share of the top 10, top 100 and top 500 registrars has stayed roughly the same.

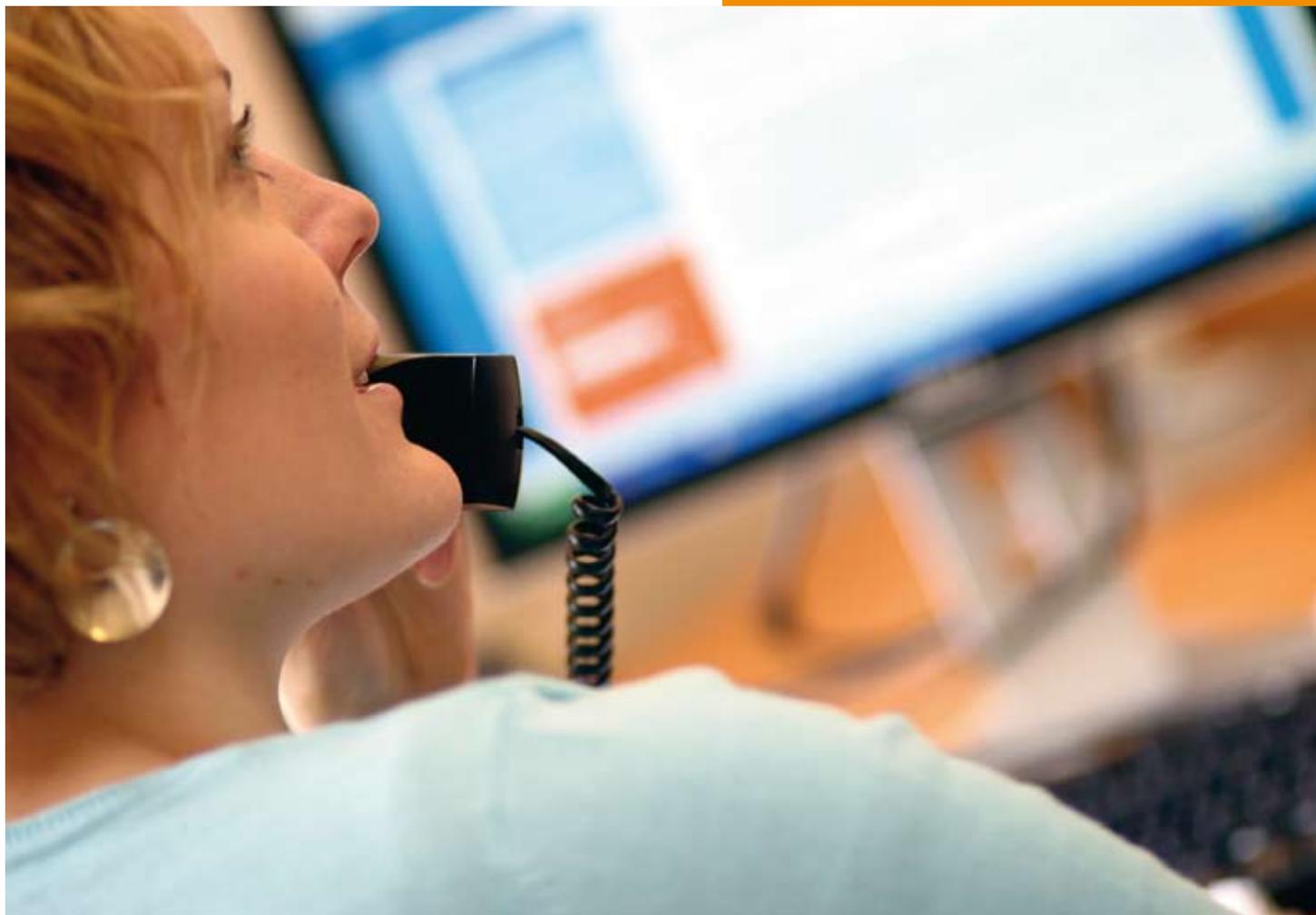
Human resources

There were a total of 62 employees working at EURid's four offices at the end of Q1 2010.

Headcount per office, fourth quarter 2009

Office	Headcount	FTE*
Diegem	41	38.00
Pisa	8	5.22
Prague	6	4.30
Stockholm	7	4.60
Total	62	52.12

* Full-time equivalents



The management team



Marc Van Wesemael, General Manager

Marc Van Wesemael has an MBA from Lessius Management School (Antwerp) in collaboration with Northwestern University (USA) and a degree in electronic engineering from the University of Ghent. He has worked in the telecom and software industries as a consultant and as a manager in software engineering, general sales and marketing. For ten years he was the Managing Director of not-for-profit DNS Belgium, the registry for .be.



Giovanni Seppia, External Relations Manager

Giovanni Seppia previously worked at ICANN as European Regional Liaison. Prior to that, he was General Manager at CENTR. He has also served as Head of External Relations for the Italian Registry (ITT CNR) and has three years of experience in various roles at the European Commission.



Bart Foutrel, Finance Manager

Bart Foutrel has a masters degree in business sciences from Lessius Hogeschool, where he focused on finance and insurance plus accountancy and tax law. During his studies, he worked as an accountant at MENSURA, an insurance company. After graduation he worked as an adviser on Global Compliance Service at PricewaterhouseCoopers before joining EURid in early 2008.



Herman Sobrie, Legal Manager

Herman Sobrie studied law and notary studies at several Belgian universities. He worked as an attorney at the Bar of Gent, Belgium, until 1983. Since then he has held positions as legal counsel with Elsevier, Campbell and Siemens.



Maria Göth, Communications Manager

Maria Göth has more than 15 years experience in the field of communications, both in Sweden and internationally. Most recently she held the position of Communications Manager for Google in Scandinavia. She holds a PG diploma in electronic publishing from City University in London, United Kingdom, as well as a BA in journalism from the University of Stockholm, Sweden.



Els Verstappen, Human Resources Manager

Els Verstappen held a variety of HR roles at Scarlet, a telecommunications company, before joining EURid. Most recently, as HR Business Advisor, she was responsible for HR support for line management, selection and recruitment, among other things. Before working at Scarlet she was employed at KPN Belgium and at a European non-governmental organisation.



Peter Janssen, Technical Manager

Peter Janssen has a masters degree in computer science from the University of Leuven. He joined the Belgian registry for .be in 2000 in the guise of Technical Director and was responsible for the domain's liberalisation in December 2000.

The board and strategic committee



Pierre Verbaeten, Chairman of the Board

Pierre Verbaeten is Chairman of the Computer Science department of the Catholic University of Leuven, where he lectures on networking and distributed systems. He also leads the DistriNet research group, which conducts basic and applied research in computer networks, security, middleware, multi-agent systems and embedded systems. In 1989, Mr Verbaeten became the first manager of the .be registry, which was transferred to the not-for-profit organisation DNS Belgium on January 1, 2000.



Tomáš Maršálek, Director of the Board

Tomáš Maršálek is a chairman of CZ.NIC, the registry for the .cz top-level domain, and the Managing Director of the Czech Neutral Internet eXchange node (NIX.CZ). After graduating from the Czech Technical University in Prague with a masters degree in radio electronic science, he began his professional career at AT&T. Mr Marsalek is a cofounder of GTS, the biggest alternative telecommunications operator in the Czech Republic. He also helped establish the IP network in Central and Eastern Europe on behalf of British Telecom.



Danny Aerts, Director of the Board

Danny Aerts is the Managing Director of the Swedish Internet Infrastructure Foundation (IIS), the registry for the .se top-level domain. A native of the Netherlands, Mr Aerts moved to Sweden in the mid 1990s. In 2006 he left his position as CEO at Swedish web portal Spray to join IIS. Mr Aerts has also been employed at several telecom companies, including Unisource Mobile, Telia and PTT Telecom. He graduated cum laude from Utrecht University, where he studied economic geography.



Philippe de Buck, Member of the Strategic Committee

Philippe de Buck received a doctorate in law from the University of Leuven. After a post-graduate course in tax studies at the Ecole Supérieure de Sciences Fiscales (ICHEC) in Brussels, he joined Agoria, the Belgian multisectoral federation for the technology industry. There he filled various functions until 2001, when he left the CEO position at the federation to join Business Europe in the role of Secretary General. Mr de Buck is also a member of the board of directors for both ING Belgium and BASF Antwerp and sits on the advisory board of the European Policy Center.



Marko Bonač, Director of the Board

Marko Bonač received a bachelor of science degree in mathematics (1981) and a masters in computer science (1988) from the University of Ljubljana. Between 1981 and 1992 he worked as a researcher and project leader in the field of computer networks. Since 1992 he has been the Director of Arnes, the Academic and Research Network of Slovenia, which is also the registry for the Slovenian top-level domain, .si.



Michiel Leenaars, Member of the Strategic Committee

Michiel AGJ Leenaars is Director of Strategy at NLnet foundation, a Netherlands-based charity investor in technology, and Director of the Netherlands chapter of the Internet Society. Mr Leenaars also holds a number of board positions, including Vice Chair of OpenDoc Society and Secretary of the Board of Gridforum.nl. He is a policy advisor for the Netherlands National Computing Facilities foundation, which is a subsidiary of the Netherlands Organisation for Scientific Research. Mr Leenaars has a background in physics at Technische Universiteit Eindhoven and arts at Tilburg University in the Netherlands.



Domenico Laforenza, Director of the Board

Dr. Domenico Laforenza is the head of nic.it, the registry for Italy's .it top-level domain. He is also the Director of the Institute for Informatics and Telematics of the Italian National Research Council in Pisa. Between 2003 and 2007 Dr. Laforenza was a member of the Next Generation Grid Expert Group, which was selected by the European Commission to define the priorities of future research in the grid technologies sector. He has also been a consultant to various EU Member States' research agencies in Austria, France, the United Kingdom, Ireland and the Netherlands. He holds a doctoral degree in computer science from the University of Pisa.

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