

Executive Summary ● ● ●



Key Figures

1.5 million

1.5 million domain names milestone reached on September 10, 2009

25%

25% growth in a year (vs. 8% average)

80%

80% of new domain names registered in France are .fr domain names

€12

Median end-user price steady at €12/year, in line with other Top Level Domains

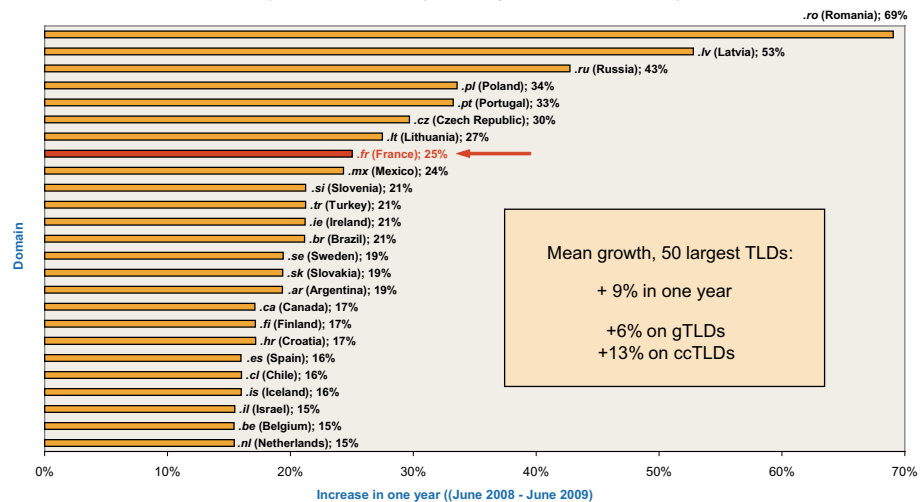
The .fr is doing well, despite the economic climate

● The .fr stood up well to the economic crisis

In a general climate of economic slowdown, the .fr domain has performed exceptionally well, growing another 25% between 2008 and 2009 (compared with an average of 8% for the other Top Level Domains worldwide).

Since registration was open to individuals in June 2006, and thanks to recent improvements in terms of automation and a fall in registrars' prices, .fr has become an even firmer favourite among the French. It has accounted for most of the growth in the domestic domain name industry.

One year's growth in the number of names registered in June 2009, various domains (Source: AFNIC, Study of 50 largest domains worldwide)



The .fr now accounts for:

- 33% of all domain names registered in France;
- 80% of all new domain names registered in France;
- the renewal rate for .fr names remains very high, of around 80%.

- **A doubling in the rate of growth of .fr names since 2006 thanks to individuals registrants**

Personal (non-corporate) registrants are making a significant contribution to the growth of the .fr market. They are now accounting for 50% of .fr new registrations. Their share of all domain names registered is rising year by year, and in 2009 reached nearly 40%.

- **Registrants still young and urban**

In terms of their age distribution, the individual holders of .fr domain names have a median age of 35.5 years.

There are great variations among administrative regions when it comes to the geographic location of .fr registrants. Understandably, the most densely populated regions are top of the list: Paris accounts for nearly 20% of .fr domain names registered in France.

On average, France now has 6 registered names per 1,000 inhabitants and 230 per 1,000 firms (vs. 2.6 registered names per 1,000 inhabitants and 179 per 1,000 firms in 2007).

- **The .fr domain name is felt to be meaningful, and very widely used**

The opinion surveys commissioned by AFNIC concerning perceptions and uses of domain names in France shows that the .fr is associated with French speaking and with belonging and closeness. These results have indeed changed little from year to year.

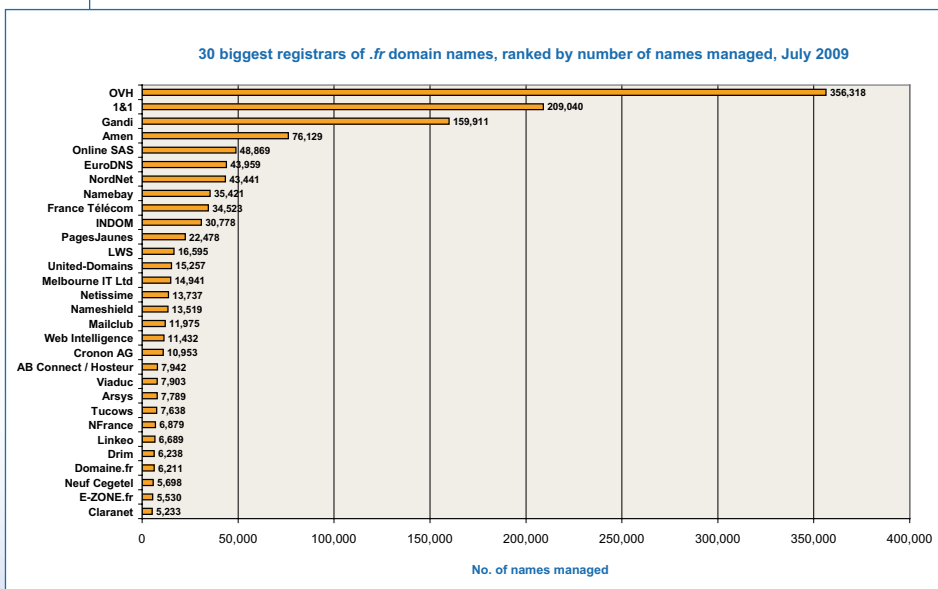
A study of the responses from the Web servers associated with .fr domain names shows that in 2009 three quarters of these names led to an operational website. Another study, on a random sample of 1,000 .fr domain names, reveals how the names are used on the Web. Websites associated with French domain names are mostly business ones (nearly half of all names), while only 3% are obviously personal sites. Most users in fact use their domain names for personalized e-mail addresses.

The domain name industry presents a varied picture, but concentration is increasing

- **The growing concentration among registrars**

The structural trends in the .fr domain name registration industry are continuing: the total number of registrars has continued to fall, down to 828 this year (-9% on year). Small players now prefer being resellers of biggest registrars.

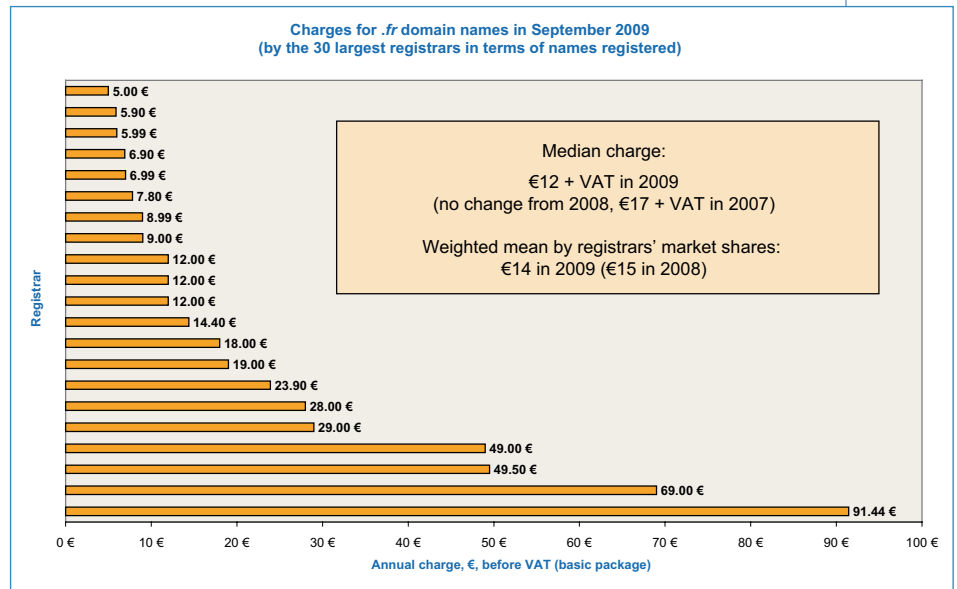
The concentration is growing faster among the registrars selling to individuals than in the business field.



● End-user price

A study of the 30 biggest registrars of *.fr* domain names reveals that the fees currently charged range between €5 and €90 (plus VAT), with great differences between registrars catering for businesses and those targeting individuals.

The median charge is €12/year +VAT, which is now in line with the generic domains.



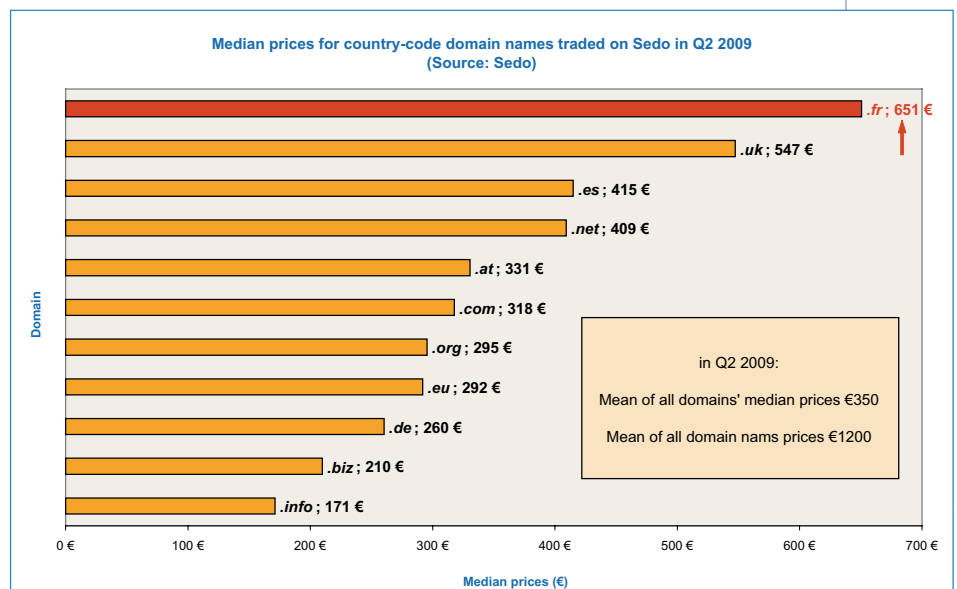
● Secondary market

The secondary market continues to be very vigorous: 2008 saw 35% yearly growth on one of the main trading platforms.

The *.fr* domains are the highest-priced in such transactions. The total number of deals in the secondary market for *.fr* almost tripled between 2007 and 2008, while the average price is now above that for all domains together.

The record sale for 2009 across all TLDs was \$5 million; for the *.fr* domain the record was €35,000 with a median price set at €800.

This secondary market is something fairly recent in France, but people are gradually becoming aware of the intrinsic value of domain names, which have every right to be regarded as assets forming part of their capital.



Big changes on the way

186 million domain names have so far been registered around the world, and the demand for them is still growing. Against this background ICANN set about **creating some new Top Level Internet Domains** in June 2008. As a result, many new domains could be introduced in the next few years. There is a proliferation of gTLDs projects now being proposed: geographic ones (*.paris*, *.berlin*, *.africa*, etc.), cultural and linguistic ones (*.bzh* for the Breton community, *.cym* for the Welsh, and *.gal* for Galicia, etc.), and subject-specific ones (*.eco*, *.food*, *.sport*, and others). Businesses may well also apply for a new flavour of TLDs: “corporate” gTLDs.

Lastly, thanks to **IDN** technology it will become possible for new domains to be available not only in the Latin alphabet but in other forms (Chinese characters, Cyrillic alphabet, etc.).

The market should also radically change over the next few years with the development of new technologies such as **The Internet of Things**.

● About French Domain Name Industry Report

Starting in 2007, AFNIC decided to undertake the task of producing an annual industry report on the domain name market in France.

Produced with help from Telecom & Management Sud-Paris, the Report aims to raise the profile of domain names and the players involved, at the same time providing some useful guidance for analysing the market’s strengths and weaknesses.

→ Further information: www.afnic.fr/actu/observatoire

● About AFNIC

(Association Française pour le Nomme Internet en Coopération)

Non-profit organization, AFNIC is in charge of the administrative and technical management of the *.fr* (France) and *.re* (Reunion Island) Internet domain names.

AFNIC brings together public and private members: representatives from the French government, Internet users and Internet Service Providers (Registrars).

→ Further information: www.afnic.fr

● Data on DNS servers in *.fr*

- Number of DNS servers: 37,000 (+ 21% on year)
- 83% of *.fr* domain names specify 2 DNS servers in their configuration (this is the minimum required).
- Number of requests received by authoritative DNS servers managed by AFNIC: more than 3,000 requests / sec. (+ 50%)

● Use of IPv6 in *.fr*

- 0.7% of queries
- DNS service: 5% of *.fr* domain names (+ 1,700% on year)
- Web: 2% (+ 2,300% on year)
- E-Mail: 0.2%