
The Registrar Business

Jonathan Robinson

COO

Introduction

- Historic and current perspective
- Personal perspective on the evolution of an industry
- Insight into past, current and future business models
- Reasons to know about and engage with the industry

Overview

- Group NBT
- Industry & market evolution
- Business models & marketing concepts
- Current practices
- Look ahead

Group NBT

- Over 10 years in business
- AIM quoted
- Financials
 - Recent results (to June 2007)
Sales £22.5m, PBT £3.9m
 - Recent forecast (to June 2008)
Sales £33.2m, PBT £4.9m
- Market value ~£60m

NetNames^{NN} |

SPEEDNAMES |

@NETBENEFIT |

Easily
.co.uk |

ascio |

envisional |

groupNBT

Business models

Corporate domain name management and brand protection

NetNames^{MN}

www.netnames.com

SPEEDnames
:: Business

www.business.speednames.com

 envisional

www.envisional.com

Managed hosting

 NETBENEFIT

www.netbenefit.com

Online

 Easily
.co.uk

www.easily.co.uk

SPEEDnames

www.speednames.com

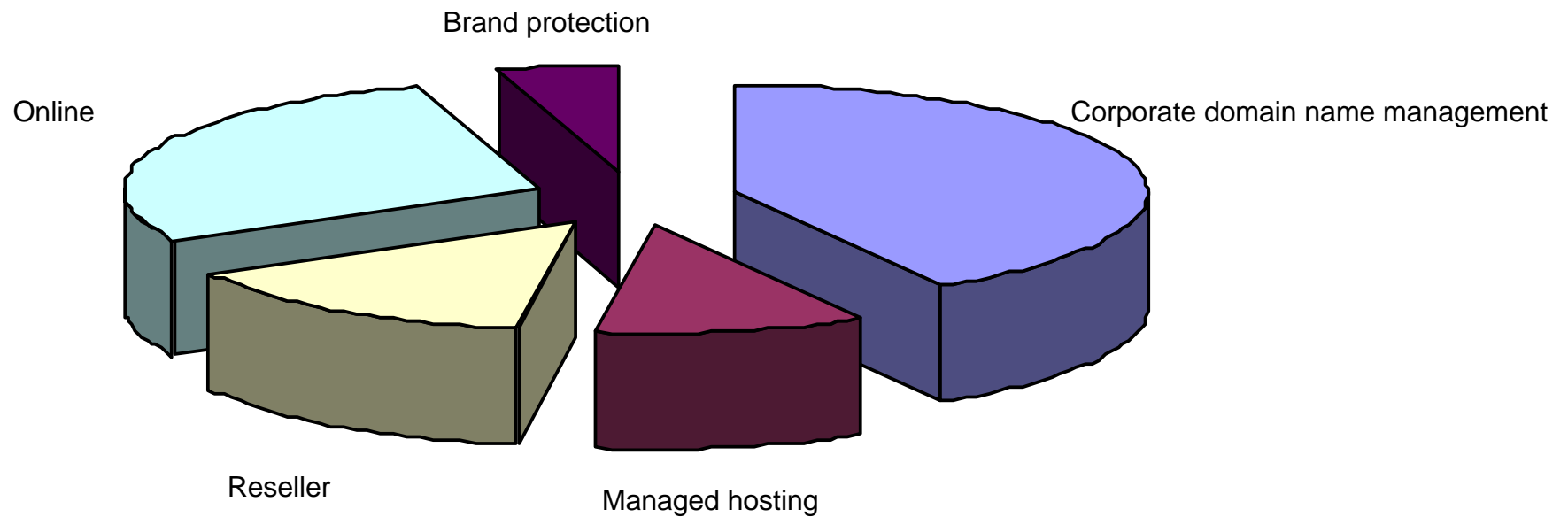
Reseller and partner

ascio

www.ascio.com

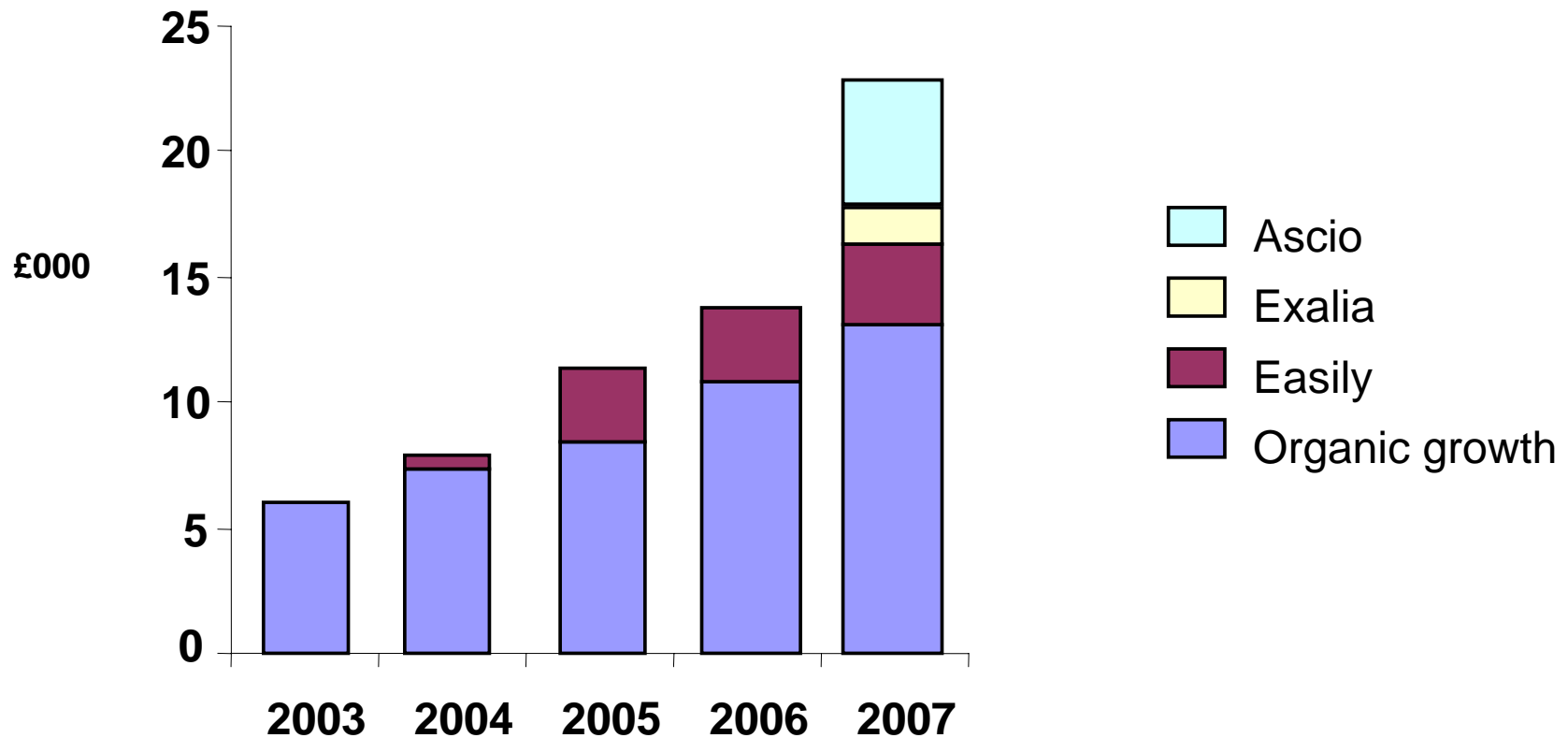
 group NBT

Group NBT markets

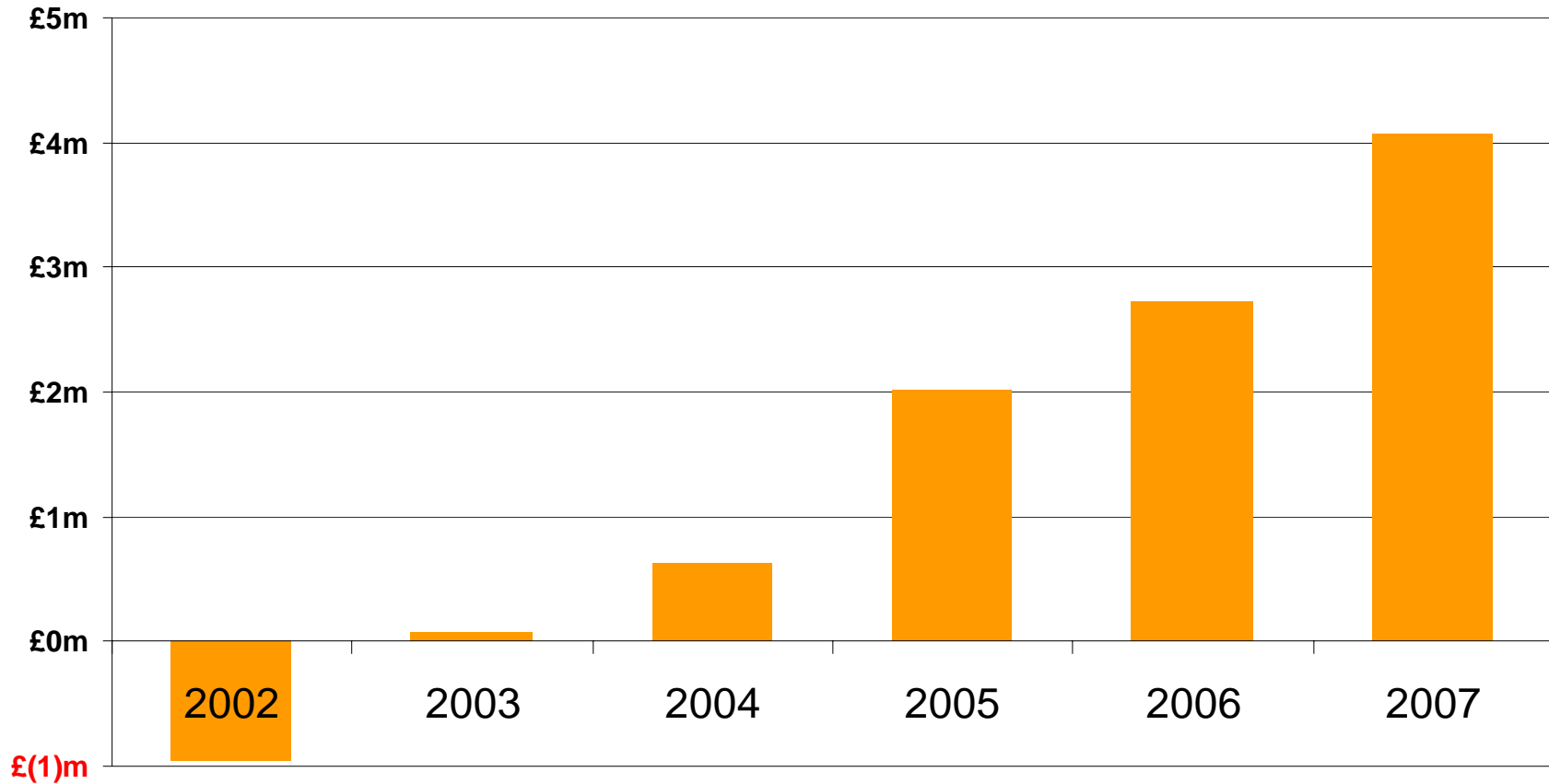


Based on unaudited annualised revenues

Growth history



Underlying operating profit*



*non-statutory measure

Industry & market evolution

Key events

- gTLD (.com, .net, .org) contract to NSI (1993)
- Formation of Nominet (1996)
- SAIC spin-off of NSI & IPO (1998)
- Formation of ICANN – the creation of gTLD .competition (1999/2000)
- Cybersquatting, ACPA & UDRP (1999)
- Dot com boom & bust (2000/2001)
- Introduction of new gTLDs (.info, .biz etc) (2001/2002)
- CURLs
- ccTLD “liberalisation” (.cn, .in, .es)
- Google / PPC

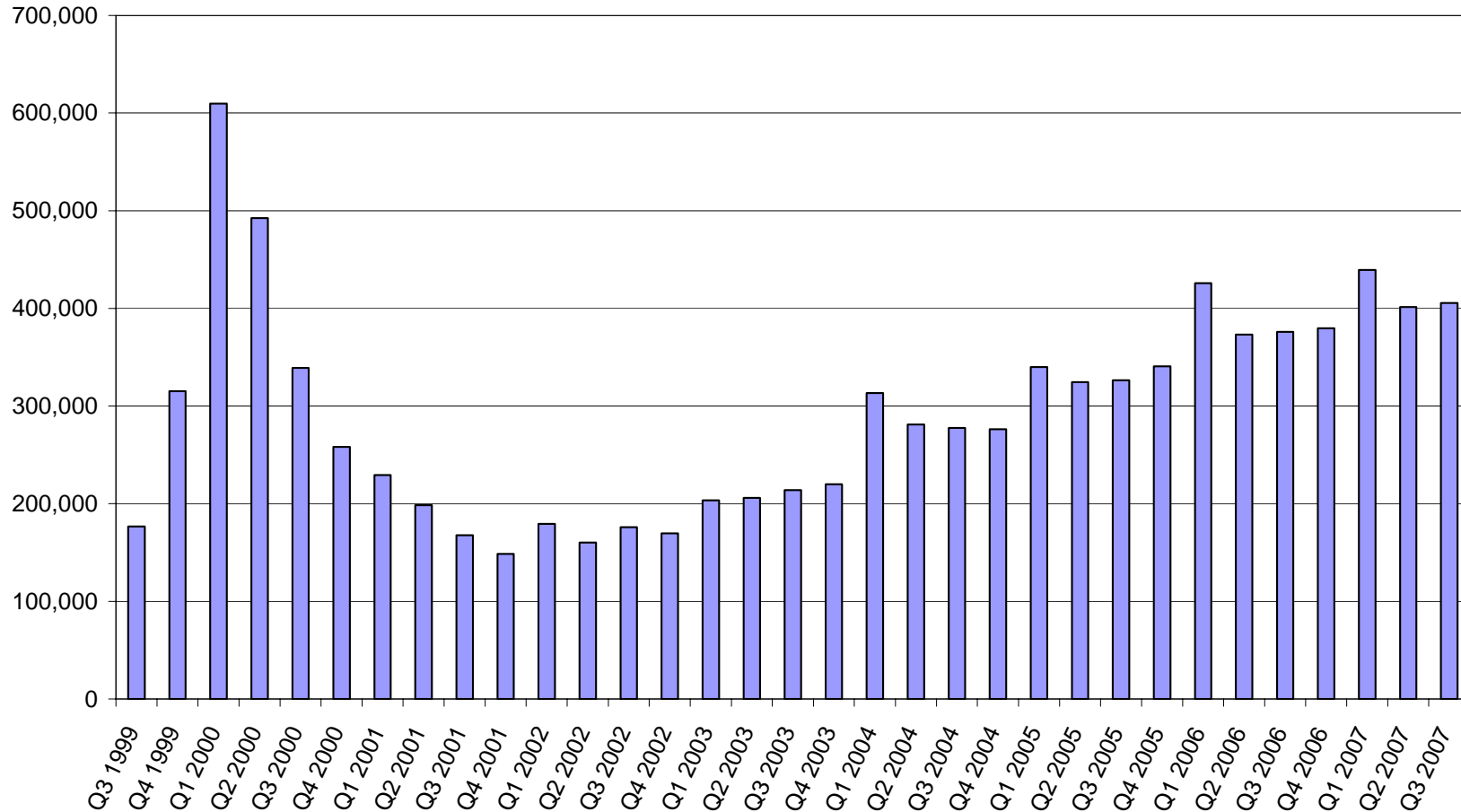
Industry evolution (.com)

- The “no service” US\$100 .com – NSI (1995)
- Removal of the US\$30 “tax” to NSF (1997)
- The US\$35 *pa* domain name
- ICANN (1999) - registry / registrar model (NSI Both – thin WHOIS)
- The US\$6.25 *pa* domain name
- Margin squeeze for registrar
- Innate value in the registry – US\$21bn

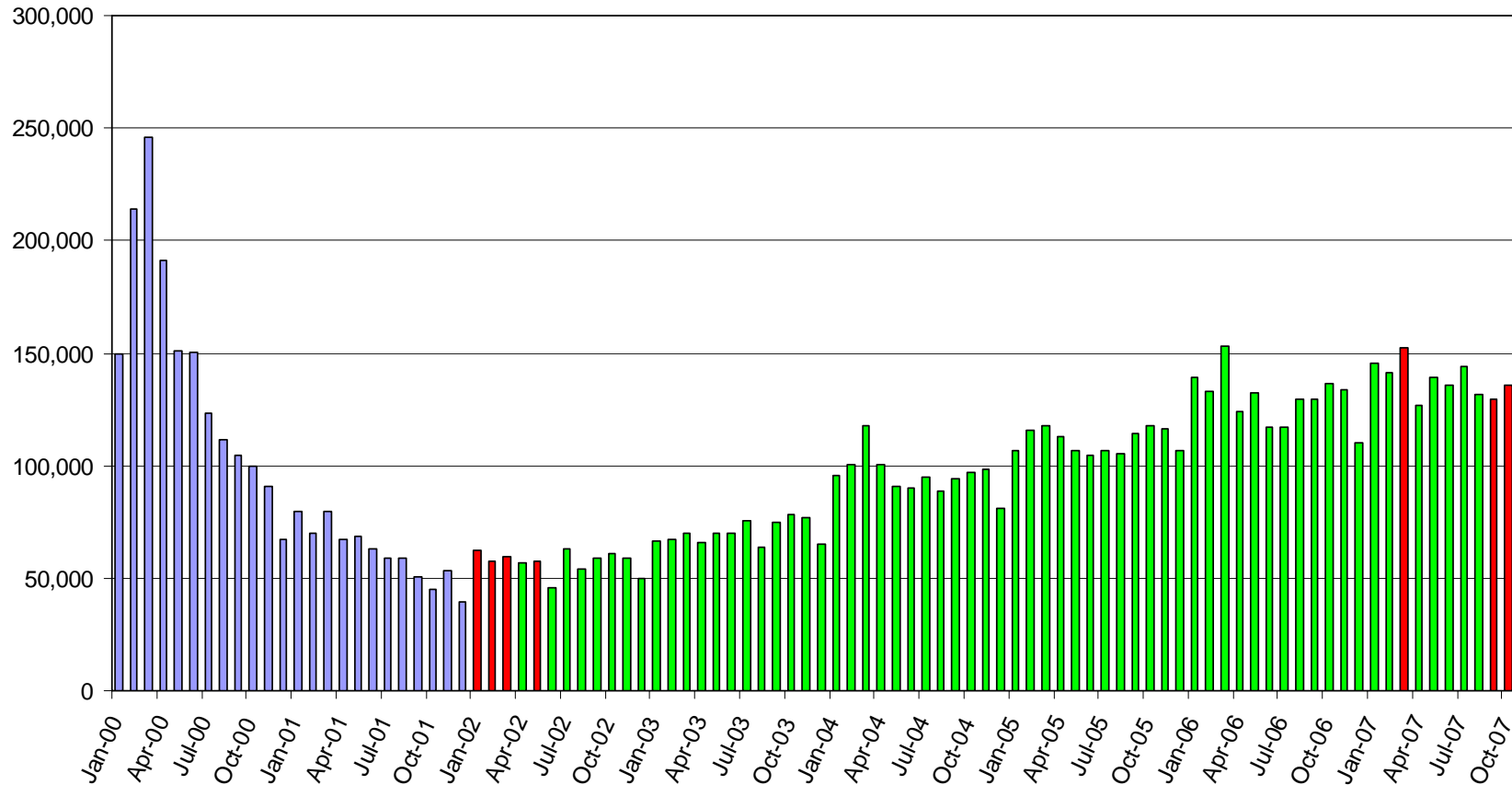
Industry evolution .uk

- The naming committee
- Formation of Nominet (1996)
- Source pricing of domain names
 - £60 (£100), £40 (£80), £20 & Sep 1999 £5
- Introduction and development of DRS (Revised 2001)
- Professional development of the registry

Nominet (.uk) registrations



Nominet (.uk) registrations



Marketing approaches

- PR
- Advertising
- Price led, no advertising
- Combined price and advertising
- Loss leaders / bundling
- Free / heavily discounted registry pricing

Business & marketing concepts

Definitive marketing concepts

- Domain name as a service
- Domain name as an introduction
- Domain name for brand protection
- Domain name for free
- Domain name packages

Current practices

- Warehousing
- Pay-per-click
- Tasting (.uk & .org)
- Registrar “Re-cycling”

Issues / failures

- Entrenchment of .com
- Regulation / effective (ICANN) contract enforcement
- .uk slds
- New TLDs
 - .biz, name, .pro, .museum, .travel, .eu
 - personal TLDs (Digital Identity)
- Cybersquatting
- PPC (Tasting, Traffic sites)

Looking forward

- PPC
- Consolidation
- Web 2.0
- Enum
- SSL
- Google / Microsoft / Yahoo!

Summary

- Fantastic and stimulating industry
- Dynamic - continuously opens opportunities
- Creative marketing exploits them
- Industry giants challenge or threaten them
- Informed involvement shapes industry & builds business