

.CO MARKET REPORT:

A Successful Two years for .CO May Pave the Way for New gTLDs

When .CO Internet launched the .co extension on July 20, 2010, more than 8,000 registrations took place within one minute. By the end of the day, there were 233,000 .co domain names registered by individuals and businesses worldwide. The extension has continued to grow, with over 1.3 million names now registered by users in over 200 countries worldwide.

As the world's leading online domain marketplace, Sedo has been able to monitor .co's performance on the secondary market over the past two years. It has been our experience that a TLD's initial performance is often a good indicator of its future success, so on .co's second anniversary, we took a look at how it might prove to be an example of how any new gTLD can find success when competing with historic heavyweights like .com, .net and .org.

Sales Success

Since its introduction in 2010, .co has generated more than 1.5 million USD in sales revenue at Sedo, and has become one of the top-selling domain extensions in the world. Healthy median and mean average prices reflect the confidence that domain investors and, in particular, end-users seem to have in the new extension.

Including both public and private sales, the total revenue for .co domain name sales since July 2010 now stands at 1.64 million USD. In 2011, .co was the ninth most frequently sold TLD on Sedo's marketplace.

Top 10 Public Sales

In general, the highest .co sales have been for domain names that offer the most generic or brand-relevant keywords. The top 10 publicly reported sales on Sedo's marketplace to date are:

DOMAIN	SALE PRICE
e.co	\$81,000
business.co	\$80,000
fx.co	\$50,000
news.co	\$50,000
finance.co	\$45,000
forex.co	\$40,000
internet.co	\$40,000
men.co	\$32,000
music.co	\$30,000
sugar.co	\$30,000

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.CO Average & Median Sales Prices (USD)

	2010	2011	2012
AVERAGE	1,819	1,769	1,826
MEDIAN	500	310	500

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Note: Reported 2010 prices are from 7/20/10—12/31/10; 2011 prices are for a full calendar year; and 2012 prices are from 1/1/12—7/15/12.

The mean average sales prices for .co domains show a very solid start in the secondary market. From its launch in July through the end of 2010, .co names had an average price of 1,819 USD. 2011 showed a stable market, and 2012 to date has the best mean average yet for .co sales. For a new TLD, this is a strong and stable showing on the market.

Median sales prices also help to assess the true value of a TLD, as they exclude particularly high or low value sales that could otherwise impact the mean average for the extension. The median sales price for .co domains has also remained steady, showing that demand for the TLD has not waned.

Average & Median Sales Prices, 2011

As a point of comparison, the 2011 average and median sales prices for some of the more established domain extensions are listed below. The data show that average and median prices for .co names are high relative to these extensions. This is a positive indicator of end users' and domain investors' confidence in .co, bearing in mind the much older and, in most cases, significantly larger registration base that these TLDs have.

AVERAGE SALES PRICES		MEDIAN SALES PRICES	
	2011 (USD)		2011 (USD)
.com	2,775	.com	650
.net	1,602	.net	555
.org	1,289	.org	510
.info	990	.info	480
.biz	1,285	.biz	424
.co.uk	1,273	.co.uk	624

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Based on mean average price comparisons, .co had the second highest value among leading TLDs at Sedo during 2011.

Sales by Category

Sedo's sales are categorized based on a total of over 200 main categories. The most frequently traded categories for .co domains to date are:

1. Computers
2. Sports
3. Business
4. Shopping
5. Recreation

End User Interest

.Co is increasingly becoming a top-level domain of choice for start-ups and small to mid-sized businesses searching for meaningful, memorable, and affordable names for their online brand. Increasingly, the Sedo sales team is fielding inquiries from advertisers, marketers, small business owners and entrepreneurs who are looking for a strong, brandable alternative to .com.

Examples of businesses who are branding their companies with .co:

- 500.co:** 500 Startups, a Silicon Valley incubator and accelerator fund
- Summit.co:** SummitSeries.com rebranded itself with a shorter, memorable .co name
- LeWeb.co:** LeWeb, Europe's largest tech conference, recently switched from LeWeb.net to .co
- Angel.co:** Angel List, the world's premier marketplace connecting Angel investors and startups, is built on .co
- Aspen.co:** the Aspen Group Insurance company rebranded to .co

See more examples at <http://www.go.co>

Future Outlook

The .co extension continues to grow steadily in both total registration numbers, and secondary market interest and volume. It is also recognized globally, and search engines treat it on par with legacy domain extensions like .com and .net. With a potential influx of more than a thousand new gTLDs in 2013, it remains to be seen how the secondary domain market may change, but .co's successes demonstrate that a solid business plan and creative marketing strategy can make the launch of a new domain extension successful.

Sedo Brokerage

Sedo recently entered into an exclusive contract with .CO Internet to provide private brokerage services for a selection of previously unreleased .co domain names. We have also worked with .CO Internet to promote these names with Buy Now pricing initiatives and via the SedoMLS network, which makes .co domains available to broader audiences worldwide. For a full look at the exclusive brokerage list, please visit www.sedo.co.