Investing in a .coop domain

It does cost a little more to have a .coop domain name compared to other TLDs such as .com, .org or .net. However, .coop is the only domain that tells visitors to your website or recipients of your email that you are a co-operative. The truth is that Top Level Domain (TLD) names vary in pricing for a number of reasons:

A .**coop domain is a sponsored Top Level Domain** (sTLD) and unlike the more common generic TLDs (gTLD) there are **restrictions** imposed by the Registry on who can register .coop names. In the case of .coop domain the Registry is DotCoop, based in Washington DC. Domains.coop is wholly owned by the International Co-operative Alliance and is the largest in terms of number .coops registered and is the only one dedicated to serving the co-operative movement.

As a consequence of the restrictions imposed, sTLDs operate in a much smaller marketplace than the .com, .net or even country code extensions (ccTLD) and thus .coop is not able to achieve quickly the registration volumes that gTLDs have.

At the same time, the **technical infrastructure** specifications for operating a TLD - as required by ICANN (Internet Corporation for Assigned Names and Numbers) - are almost the same for a gTLD, a ccTLD and a sTLD. In other words, the operation and infrastructure costs dictated by the Registry's contract with ICANN are pretty much fixed but the volume of registrations varies significantly. There are around 7,500 .coop names in registration globally, 15 million .net names, 10 million .org names and around 100 million .com names. Clearly, the .coop registry does not generate economies of scale to pass on to its registrants as a price reduction.

An added cost to sponsored TLDs, like .coop, is the **verification process** of the eligibility of our registrants. This is an important process for safeguarding our namespace and its value as a distinct identity for co-operatives online. It is therefore a mistake to compare gTLDs with sTLDs, i.e. a .com with a .coop because the former is a commodity whereas the latter a branding tool. A .coop domain is integral to our identity and is what unites us wherever we are.

Other sponsored or specialised TLDs, such as .jobs or .pro are also much more expensive than .com, .net etc. (up to 350 USD /year for a .pro and 180 USD /year for a .jobs). Even in .com, good keyword names are considered highly expensive real estate and are being sold in auctions for millions (http://en.wikipedia.org/wiki/List_of_most_expensive_domain_names).

If all the co-operatives in the world were to register and use a .coop domain then clearly the annual fee would drop, because we would - and will - pass on any cost efficiencies to our customers. At that stage availability of good .coop names, or general availability, would cease to exist and a .coop aftermarket with great keyword .coop names would be auctioned - i.e. exactly like the .com market but we are some years off this happening!

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