

# UK IPv4 Transfer Market

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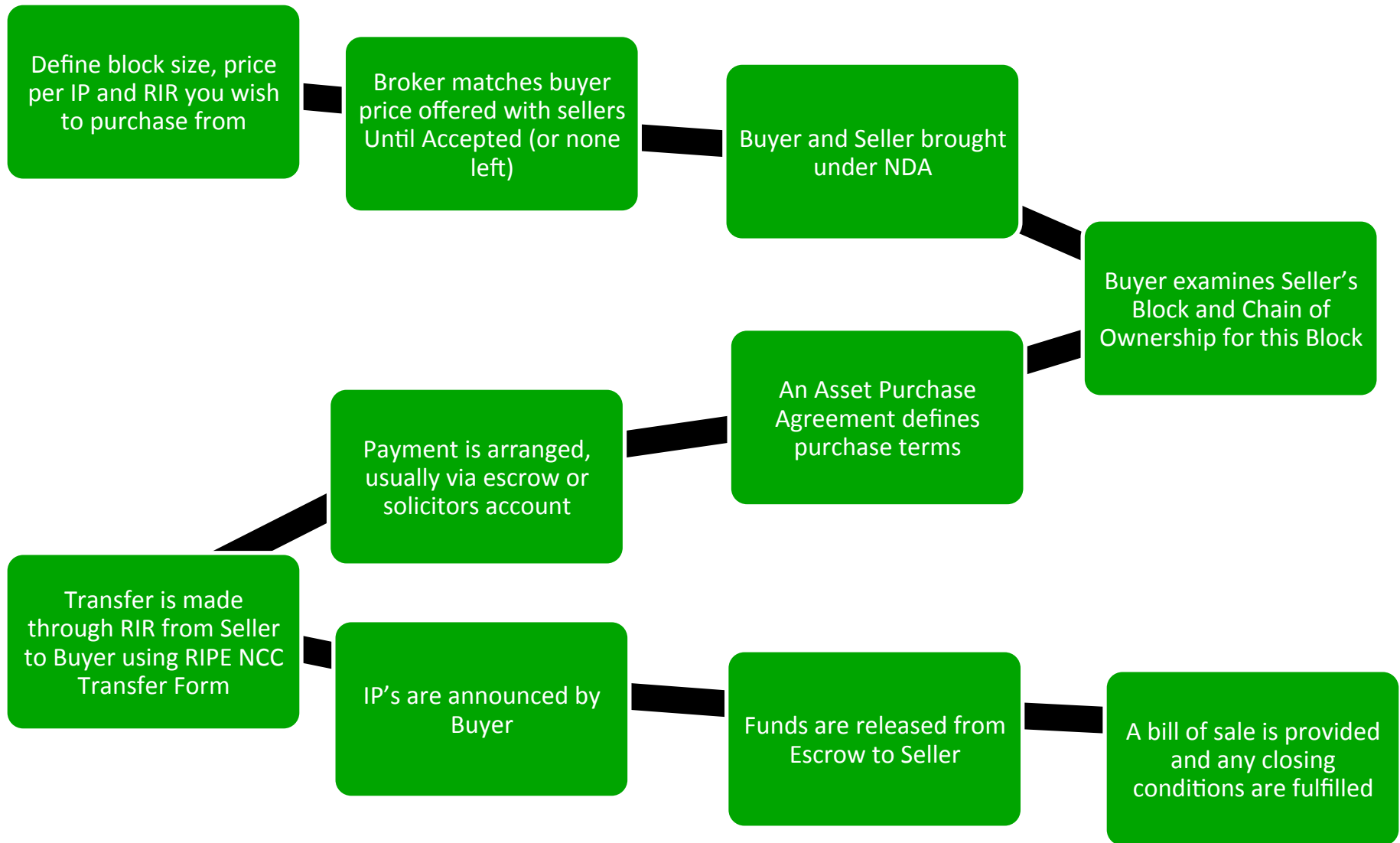
# Agenda

1. Introduction
2. IPv4 Purchase Process
3. 2014 in Review
4. 2015 Market Outlook

# 1.0 Introduction

- Trading of IPv4 addresses is a relatively young market, beginning with the Nortel / Microsoft transaction in 2011 at \$11.25/IP. Since then, supplies in APNIC and RIPE have declined, and supply in ARIN is relatively large. Monetization has emerged, and more sellers of IPv4 addresses have brought significant supply to the market globally
- RIPE NCC is the most robust trading region with 9.8 million IPv4 addresses transferred in 2014
- APNIC transferred 3.75 million IPv4 addresses in 2014; ARIN transferred 3.0 million IPv4 addresses

## 2.1 IPv4 Purchase Process



## 2.2 Network Engineering: Buyers

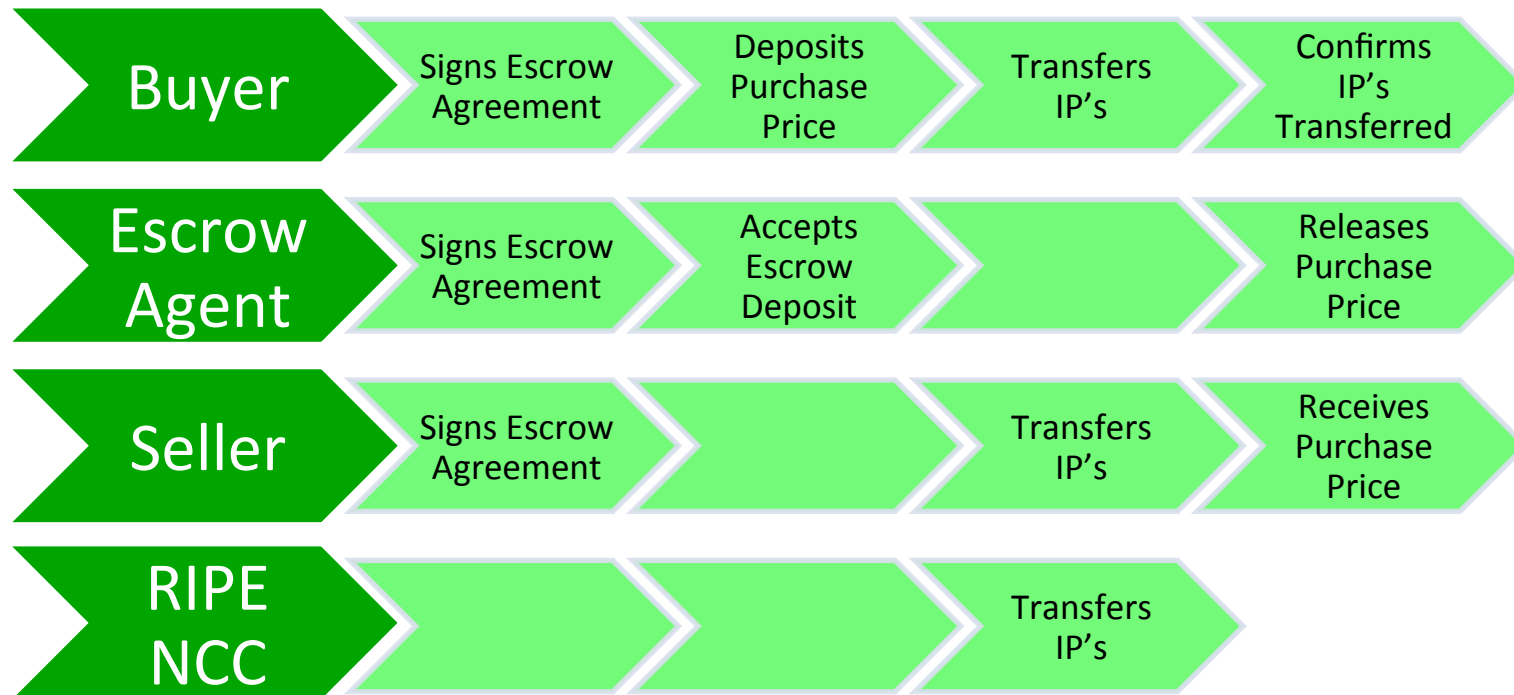
- Determine number of IPs needed
- Get internal budgetary approval
- Costs:
  - IPs
  - Ongoing annual RIPE NCC membership fees
  - No RIPE NCC transfer fees
  - Should not be any broker fees charged to buyers
- RIPE NCC Policy Considerations
  - No RIPE NCC Pre-approval for RIPE Region IPs
  - No Inter-RIR transfers yet, but coming; will likely require pre-approval based on 5 years use at 50% utilization
  - If allocated PA space, cannot re-transfer IPs for 24 months
- Prior to purchase, investigate IPs
  - Check for blacklisting; recent SPAM use; senderbase.org
  - Be prepared for geo id relocation
  - Check RIPE registry versus seller records

## 2.3 Negotiation Points

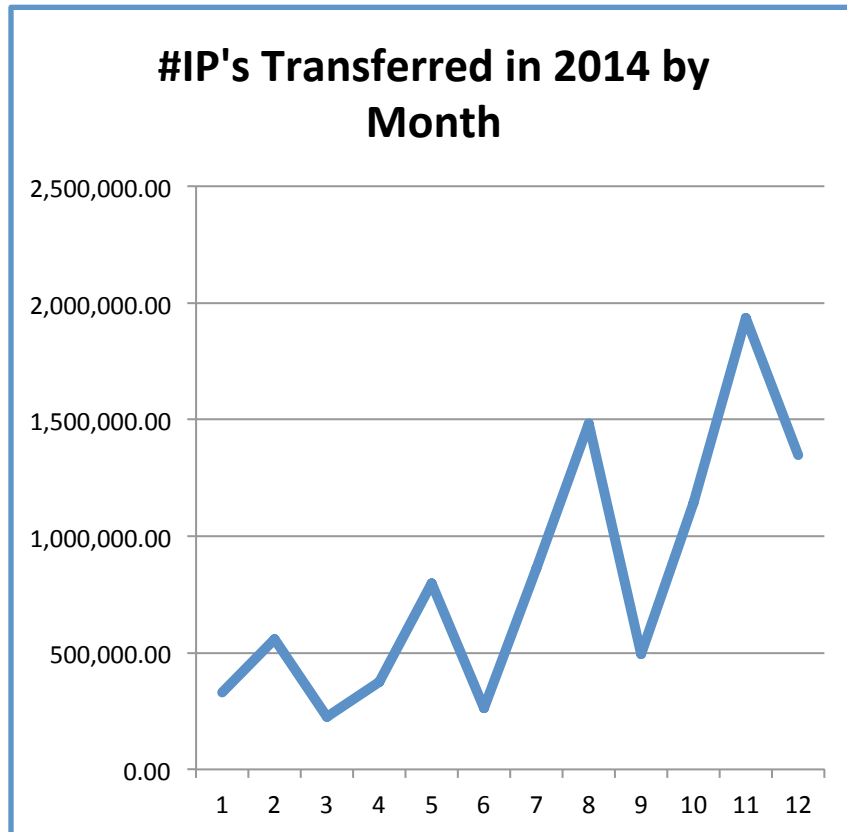
- Price
  - Depends on block size
  - Smaller blocks command higher prices
- Payment method
  - Direct payment net n
  - Escrow
  - Solicitors Account
- Legal Venue for Agreements
  - England and Wales
  - Neutral country when multiple countries involved
- Warranties
  - AS IS is common

Contract is an Asset Purchase Agreement

## 2.4 Escrow or Solicitor Account Process



## 3.1 2014 in Review, All RIPE Region

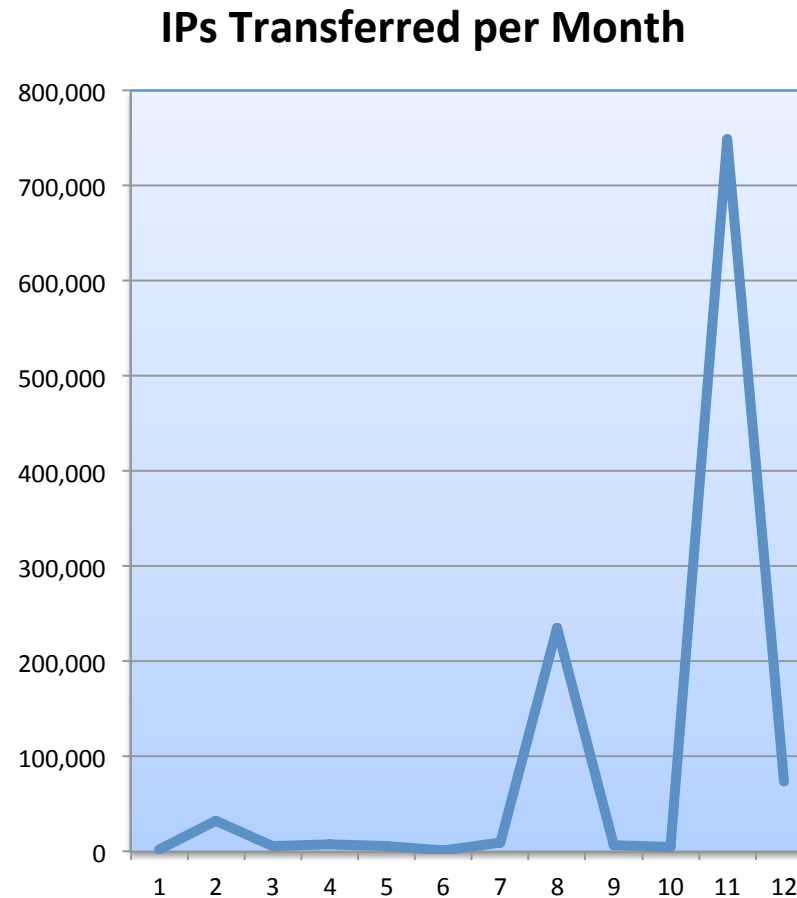


MONTH	#IP's Transferred in 2014 by Month
1	328,704.00
2	558,070.00
3	225,208.00
4	373,248.00
5	797,672.00
6	261,140.00
7	860,160.00
8	1,481,728.00
9	495,616.00
10	1,143,040.00
11	1,935,104.00
12	1,348,352.00
	<b>9,808,042.00</b>



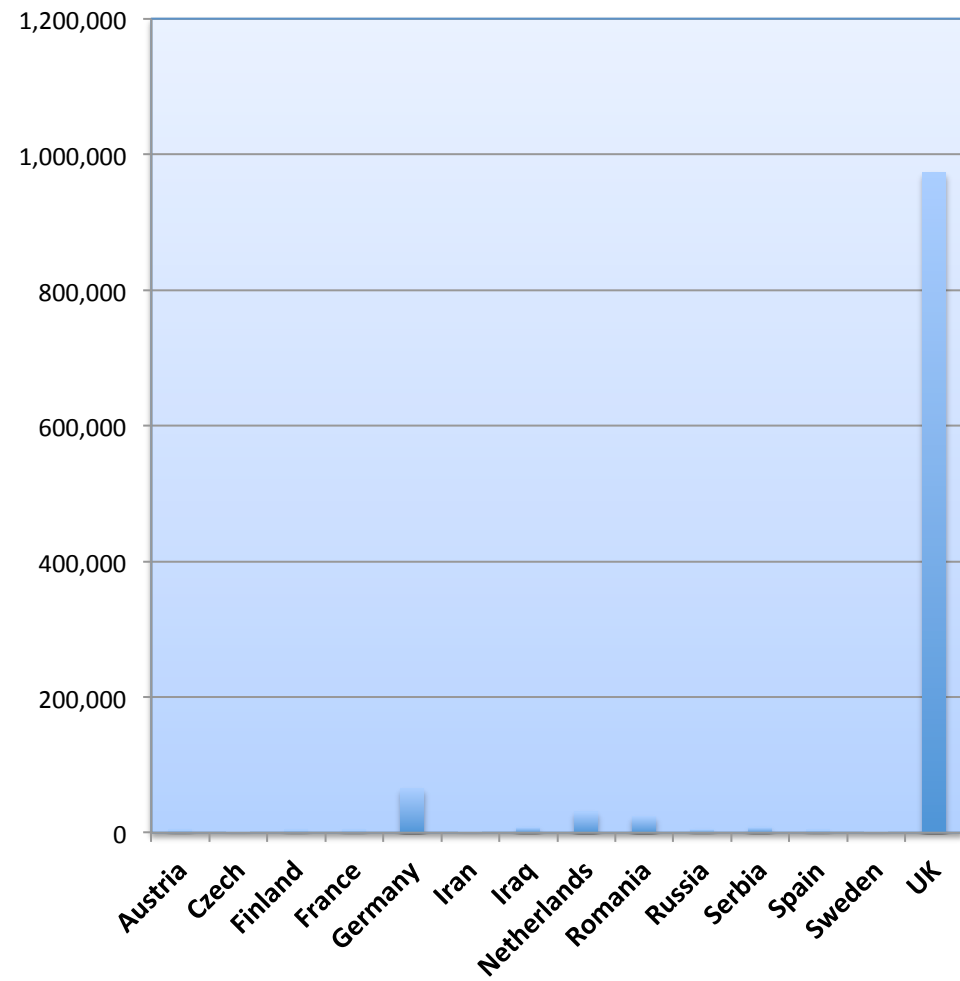
## 3.2 2014 in Review: IPs Transferred in UK

Month	IPs Transferred per Month
1	2,048
2	32,768
3	6,144
4	8,192
5	6,144
6	1,024
7	9,216
8	235,520
9	7,168
10	5,120
11	748,544
12	73,728
<b>Grand Total</b>	<b>1,135,616</b>



## 3.3 Source of UK IPs

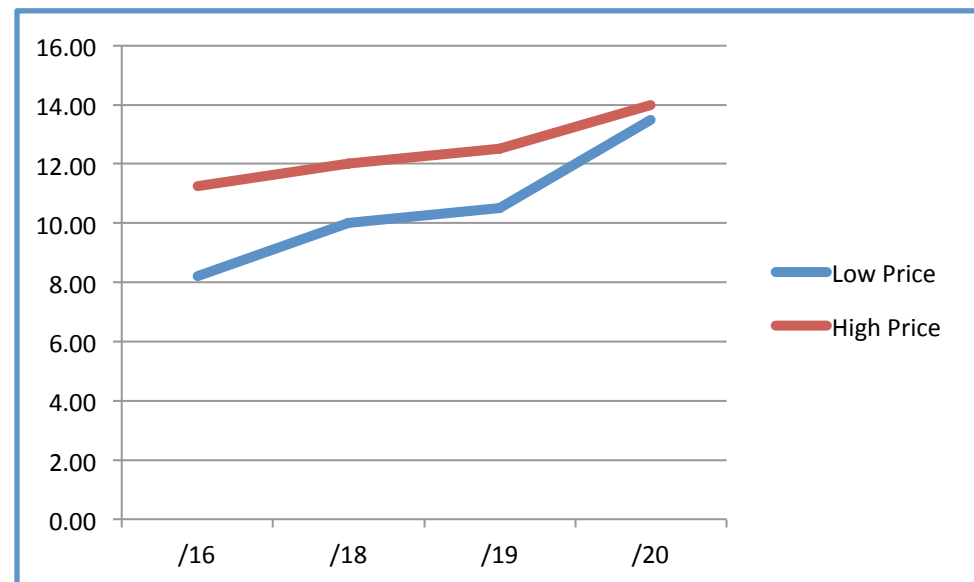
Austria	4,096
Czech	1,024
Finland	4,096
France	4,096
Germany	65,536
Iran	1,024
Iraq	8,192
Netherlands	30,720
Romania	24,576
Russia	5,120
Serbia	8,192
Spain	4,096
Sweden	1,024
UK	973,824
<b>Grand Total</b>	<b>1,135,616</b>



## 3.3 2014 in Review

### Prices in RIPE Region

- \$8.20-\$11.25/IP for /16
- \$10-12/IP for /18
- \$10.50-12.50/IP for /19
- \$13.50/IP for /20



## 4.0 2015 Market Outlook

- Supplies are currently tight in RIPE Region putting upward pressure on prices
- Prices will be reduced by introduction of new IP sources, including inter-RIR transfers
- Companies will pay a small premium for RIPE Region IPs, to avoid needs justification on ARIN Ips
- Global prices will not harmonize until policy does; ARIN/APNIC needs justification vs. RIPE no needs creates price discrepancy