

### Interview with Page Howe, [JoeDomains.com](http://www.JoeDomains.com)

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Before we get started, you know [DomainTools.com](http://www.DomainTools.com), right? I can type whois.sc/domainname really fast and I do it daily, but until recently I didn't know how powerful their other tools were. If I want a domain name, I can set a free alert to notify me when it changes status. If it goes to auction, I can use their sales history tool to find comps and determine my maximum bid price. After I buy it and develop the domain into a business, I can set up alerts for any domains registered that contain my trademark, and I can set up registrant alerts of all my competitors so I can keep an eye on what domains they're buying and know what they're up to before they make any announcements. [DomainTools.com](http://www.DomainTools.com) needs to be in your toolbox, like it is in mine. Go sign up for an account on [DomainTools.com](http://www.DomainTools.com) today.

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Here's your program.

Michael Cyger: Hey everyone, my name is Michael Cyger. I'm the publisher of DomainSherpa.com, the Domain Name Authority, and the place where you can learn how to become a successful domain name entrepreneur directly from the expert themselves.

I'm about to interview a domainer I just met in person and had a great time with. I've done interviews with mega-domainers like Frank Schilling and Rick Schwartz in the past, but they had the vision and got started in the mid-1990s by buying domain names early or hand registering some fantastic single word generic domain names that they've leveraged into a very valuable portfolio. Besides being entertaining, most domain investors starting out today have no chance of replicating their success.

The big question for this interview is, can a domain investor start out today and earn hundreds of thousands of dollars per year?

Joining me to answer this question is Page Howe. He is the President of Joe Domains, where he buys and sells domain names on a daily basis. A lot of domainers have been following Page since he bought and sold Seniors.com and Guy.com, both for seven figures and both sold in 2007. And all of us are particularly interested because Page didn't start acquiring domain names in the mid-1990s. So today we're going to find out how he does it. Page, welcome to the show.

Page Howe: Good to be here. Hello Michael.

Michael: So you have had some grand slam sales, Page. Seniors.com, \$1.8 million in 2007. Guy.com \$1 million in 2007. Steven Covey says we should start with the end in mind. So I am going to start today's show with the day that you sold Seniors.com. Do you remember the moniker auction that took place where Seniors.com sold for \$1,800,000?

Page: Absolutely.

Michael: What did it feel like to have a domain name sell for that much in a public auction?

Page: Well there were two things happening simultaneously. One I think conceptually we all thought that is where it should sell. And that traffic auction specifically was in New York City with Rick and Howard saying bring your best one word .coms, the best names in the world, to one place, the biggest city in the world to really sell them - to sell the best that we had. So on one hand we are like gee Seniors, that is a huge demographic with a bunch of applications. Let's put it out there. But then when it did sell, and those that were there with me I appreciate it because they shared the moment with me, it was a return on a lot of time. You know five or six years of holding the name. At different times having different expectations, mac or dash. Different questions you ask yourself. Is it really going to happen? Could it be this? And on one hand it could be ten times that. It could be \$20,000,000 or \$50,000,000. And so it was an interesting day. It was funny because I also sold two other names that day that were actually on a percentage basis more than Seniors.com but Seniors was the sale.

Michael: It was. So the auction took place. They slammed the gavel \$1,800,000 and did you feel vindicated after holding a domain name for six years?

Page: I would love to say that I did but any true domainer listening to this article I know your industry has a lot of new people, your first thought is many the buyer got a great deal. I probably sold for less than I should have. But anyway I think it was a good sale. It was right, it was proper. Moniker did a terrific job bring a good group of buyers into the room. It is what should have happened for our industry and I think could still happen today or next week as you go down to Florida for the big auction they are having there.

Michael: And so you held that domain name for five or six years you said. You sold it for \$1,800,000.

Page: \$1,500,000 after commission. It didn't all come our way.

Michael: That is a good point to bring up that a lot of people, they get the dollar signs in their eyes and they see a number and actually after commission and of course you have to pay taxes on that and things like that. What did you actually pay for the domain name back in 2001?

Page: It was a combination of things. There was a company that raised venture capital for it to be Seniors.com. They had bought the name from the original registrant. And they had, like many companies in the first bubble, ramped up, hired a lot of people. They were left really with the domain name which is the one true asset that a lot on Internet companies had left and an office lease. We were able to buy it for around \$100,000 which was a combination of money to pay off the old company, some consulting and some other things to take what the other company had left which was their name. And that is one of the great things about a domain name. It becomes what you have left sometimes. It is a sell even if your strategy doesn't work.

Michael: That is a great point. You know technology becomes outdated and people don't want to have to take a technology that might have been developed for Seniors.com and try and work with somebody else's code base and so that is a great point that the one true asset left over could be the domain name.

Page: But also it becomes something you can attach everything to. If anyone has ever sold a business at times it is really hard to define what the business is that you are selling. Is it going to come with covenants not to compete - certain technology? How do we really know we are getting everything? And sometimes when someone buys a name and builds stuff on top of it the name can be that magnet that everything is attached to that really when they transfer possession of that name to the new buyer they are getting everything that that name has ever been and will be, as opposed to having to define all that legally. So it is both, whether it is by itself or it is with everything it becomes a sellable asset.

Michael: Definitely. So let's talk numbers Page. How many domain names do you own today?

Page: Our company and our different stores run about 25,000 names.

Michael: How does that portfolio of 25,000 break out by TLD or niche or area or however you organize your domain names?

Page: Just a second. I'm still getting comfortable with the fact that I just said that I own 25,000 names. I guess that is not a problem until you admit it is a problem. But we buy what we call purpose names. So we buy names that say what they do and do what they say. We are probably 80% .com, and the only reason we are only 80% .com is that we really like .tv so we are probably overweight there and we are actually overweight in .la if you can believe it which is a country code but it is also used for the city of L.A. So we are big believers in .com. If you are convincing someone to buy the best word you might as well convince them to buy the best TLD so we are almost all .com except for maybe some cities where the .com is taken by a non-related user below. So mostly .com.

Michael: How much revenue did your company bring in over the past year roughly?

Page: Revenue, we probably sell between \$25,000 and \$50,000 a month in domains in our portfolio divisions. We have some big names that we have that we may sell in relation to their cost that would skew those numbers. But in terms of the everyday portfolio that we manage we do about \$25,000 and \$50,000 a month.

Michael: So if I understand correctly you have a portfolio division of premium domain names that sell for more than the \$8 registration, but they are domains that sell pretty quickly on a regular basis. Then you have a separate division which is ultra premium which are really expensive domain names? Is that how you break it out?

Page: Yes, we reinvested the money we made with Seniors.com. So we may own some cities, we may own some big one words like exquisite.com or sushirestaurants.com. So we are treating that as its own asset. We are probably depreciating it. We are accounting for it quite differently. We are treating that as a company maker. We are more than likely to do joint

ventures. We are more likely to handle inquiries over the phone as opposed to maybe just an email. And then the portfolio division we break it up into different stores that we market through and then we put the names for sale at the different after markets that are out there. And we do what is called multi-channel management meaning it is our job to have the names for sale everywhere that names can be for sale. We obviously make sure we have an accurate inventory that when we sell a name in one place we take it down everywhere else. And that really keeps us in touch with the day to day changes and what is going on with selling domain names and those things.

Michael: I'm going to ask you about your multi-channel management process because I think that it is really important for domainers to understand that. I think the numbers that you just gave gives the audience a great sense of where you are today. And I personally find it sort of sets the stage and allows me to now process the advice that the audience is going to get from you. Let me ask you this Page before we get started. Why are you willing to share so much information about where your business is now? Why are you telling us how much revenue you have? Why are you being so open?

Page: Well, for one you asked. I got to know you this weekend and the first time you called just to share with the audience I probably wasn't as open. I think we have a responsibility to educate people as to what domain names are. Three years ago I actually wrote a book. So I will show you the book that I wrote. We wrote this book Domain Name Investing. How To Make Money In Internet Real Estate. And at that time I thought wow wouldn't it be great if I could tell everybody what I know. Tell everybody what I know about this. But at the same point everyone armed with that information should come in and just like online poker or some of the other phobias you could just buy everything. Buy everything. And we haven't always treated the new money in our business well. It comes in. We might want to sell it everything that we want to sell it and then you have people that didn't really buy the best assets and they are stuck and we are not growing. So I do believe that the value of each note in each network goes up the more participants you have in a network. So you will probably see some more stuff from us in the next four to six months involved with education. I'm trying to give people a sense of what it is that they are buying. Just to cut to the nudge we think you make domains on time. You have got to hold them. You have got to wait for

something to happen. The idea that you are just going to buy it here and sell here and buy it here and sell it here. I think some people do that really well but there has got to be a reason a domain changes over time.

And then secondly it's better frankly from somebody who is full time domaining it is better to still have another job. It is better to have a job that is a legacy business where you are getting paid for doing something that is valuable that someone compensates you for. And then you don't have to tax your domain portfolio with having to pay for your lifestyle at the same time you are trying to hold on to these assets for a time when their value will be appreciated. So I think those are some of the things that we like to tell people even though you might here a story here or a story there.

And then lastly I guess if I could advise new people coming into the business is if you want to invest in the stock market you just wouldn't look at the ticker and pick a stock and say I'll buy it. You would put some time and effort into it. So if we can give people an idea of what that is you will probably hear more from us. So that is it.

Michael: Great advice. So when that book comes out I want a Page Howe autographed version of it.

Page: I'll probably charge a little extra for that. But it is interesting because I had to ask myself if I write this book and I send it out, right now even with the best expired name at an auction, say just a golden name expired you might have 200 people in the entire world that would represent the universe of people bidding on a really good expired name. And some of my micro markets that we are buying I may be the only one or there may be one other person and we fight it out each day for these things. So I have actually had people tell me oh I saw your TV show. We used to do a TV show about three years ago. And I got this one idea from it and I've been buying names in that area. And I'm like well I just invited one competitor to come in every day. Am I really ready? Even one of your interviews Marc Ostrofsky talked about you don't make a lot of money with books. So I guess until the book is going to send me off into the sunset I'm more likely to keep some of the information back.

Michael: Alright, if you must. On the front cover I noticed you had H. Page Howe so I'm going to save the question for the very end of this interview what your first name actually is. I'm going to strip it out of the transcript. I'm going to make people watch the whole interview to find out what your first name is. And we will ask that at the end of the show. Let's go back in time. What was your career just before you began as a domain investor?

Page: I was a financial planner for a number of years. We did financial planning for doctors in Southern California. And then it was interesting because it gave us an idea of the challenges that they face. And I had a tax background in college and so we put that to work helping doctors do estate planning and at the time tax planning with limited partnerships. In fact we had really high tax rates of 50% to 70%. You'd want to get a tax reduction for what you would buy and we structured those partnerships and that got me into investment advising. And after about four years of doing that I went to work for one client, I was a president with what they call now a family office - Managing one family's network.

Michael: And why did you decide to become a full time domain investor when you were spending a number of years, you were educated, you were trained, you were in financial planning, why did you decide to become a full time domain investor?

Page: Well it happened...It wasn't by chance. First I guess in the Internet bubble we made a number of investments in Internet companies and at different times on paper we thought we had really hit the home run. We had a search engine company [Northern Light] that was going to go public for \$1 billion. We were up on paper. We were investing on a lot of exciting ideas that were coming out at the time. And though that we found out about this new domain that was going to be introduced called .web. This was back in '98. And we learned about this new domain names and we actually applied for something called .kids. We got them all with a registry site. We were running operating companies on the Internet and in doing that we saw domains. We bought a bunch of domains and we started Joe Domains back then.



In the year 2000 we had a kiosk in a mall in San Diego. It said JoeDomains.com and it was basically instead of spending \$100 for a leather jacket or something like that buy a domain name and a website, host it for a year and give that to someone as a present. And then we had these chalkboards that had premium domain names. Again painting the picture that you might want to buy if someone didn't know exactly what they wanted. And it ranged from 12 to 19 days leading up to that Christmas. We never really gave it a good test after that but we were way early. We could do something like that now and it would be outside the box and early and everything but that is the potential that we saw because the first thing that you did when you wanted to build a website was buy a good name. It starts with the name. I guess we just never left that point.

Michael: I love that story. How many domain names did you actually sell from the kiosk at the mall?

Page: We probably did about 40 or 50. And at the time hosting, I don't know if you remember, but hosting before it was shared hosting had real cost, \$60 to \$70 a year. So we were doing everything we could to make a realistic margin at the \$99 a year price point. But I will tell you something interesting we did. We gave everybody a certificate and we still have them. It says Joe Domains and it made the domain name tangible. It wasn't just this thing that you could log in and get. It was like I own this. And I think those are some of the things that, I guess I've always been early, but I think we could introduce today to help the people realize what it is that they have because it would make it tangible and say I own this piece of property.

Michael: Exactly, in the early days of buying domain names you actually used to get paperwork from the registrar saying you bought it. And it is like a stock certificate or it's like options certificates in some cases. And I think in our electronic economy we have moved away from the paper to create a paperless office. A paperless environment. Save the environment. But people really loved that piece of paper that says I own this piece of real estate.

Page: It would help with renewals. You even put a sticker on there like your car registration and remind yourself when you need to renew each year. So anyway we have some interesting thoughts.

Michael: So why not set up a kiosk again this year? The holidays are coming up. You have got plenty of domains at Joe Domains.

Page: We may do it.

Michael: I love it. I'll have you back after you do that.

Page: If you look at what Apple has done with the Mac Store by creating an experience around a fantastic product and we think that owning your domain name...I mean really you want to talk about going back the first thing you were supposed to do on the Internet when it was first created, before it was monopolized by anybody, was make your own home page. And we still haven't got these people where they own and control their own home page. Not renting it somewhere. Not using someone else's technology. And so you could really be doing that and like a lot of people if you want to have a nice car and a nice suit and a nice home you want to have a nice home page. And sometimes the prestige would come from having a good domain name. So you may see us do that.

Michael: Page we met in person two weekends ago in Chicago at the GeoPublishers.com conference put on by Fred Mercaldo and the GeoPublishers team. On Sunday, at the end of the conference, you, Ron Jackson and I walked around Millennium Park and grabbed a bite to eat. I had a great time. Besides Ron bonking his head on what locals call "the bean", within those few hours of walking around the city you must have registered 8 to 10 domain names just on your phone. What is your daily process for buying domain names?

Page: Well we developed a calendar in 2008 that gives us a, just like the sun rises and the sun sets, we kind of have a philosophy that what happens at 8:30, what happens at 9:00, what happens at 10:00, what happens at 11:30, what happens at 2:00. We become kind of the ebb and flow of our day and so because we haven't had a lot of change in our business, what we are doing now I hate to say this is a lot like what we were doing four years ago because we haven't had a lot of change. But I guess it just becomes kind of a rhythm of what to do each day and then we have broken up each card of how we buy

names and said what is the optimal way to go in and do each part of it. After a while you get systemized and you are not thinking about it you have just already done the work. It is much like the stock trader where he would hope that he already had the rigor in there, already know how to make decisions, so it is easy to make them quickly. But no I think the core of domaining is open to people right now today. It could be as simple as reading the Wall Street Journal. Picking up a conversation. You can go to any micro industry trade show and you could find out what is important and relevant and what is a leading edge and what someone might want to own, or what you could develop as a generic name or a generic thing to describe what is happening. And I think you mentioned at the top of the show what could people do now, there are a lot of small areas people could focus in. Whether it's their own language, their own international, whether it is medical, something that they understand. Where they are going to have an edge over someone like me who needs to be so compelling and so fantastic, because I don't know anything about certain industry of your business that someone else may say no I'm willing to overpay a little bit from a generic domain person who is looking at everything because I understand that certain area.

Michael: So I learn best from examples Page. Do you have an example that you can throw out that is not an area that you focus on that you know enough about to talk about?

Page: Well I'll look at some of the ways that the data aggregator can parse name. Where they sort names by maybe language. So I may not really understand the French language or the Spanish language niches. So I may see a name that comes out and I can punch it into Wikipedia. But I may come up with a name that – I go to Wikipedia and I punch it in and it says stock market. And I'm like, oh my gosh, it means stock market in Spanish. I want to buy that name. But really it might be the equivalent of a word in English that means mercantile. Now that is a word that on one hand could mean market but is not a name that every day would have any punch or pizzazz.

So I may be all excited about buying the Spanish equivalent of mercantile thinking it is stock market but if someone had an understanding of the language and what is going on, whether it is slang or every day uses, they are going to have an advantage to sit there and know what they want. And then

secondarily is they talk to people they are going to have more than one day to offer that customer that comes in and says hey I was interested in this name. So a lot of the reason we do stuff in themes whether it's geos or coaching domains or sports domains or web 2.0 names is if we get a person coming in because they like one of our exact name we are able to also show them some more inventory in a theme. And we are not having to one off sell every different name. We can say to people, listen you should get a forum domain name.

Forums are really the original social network. So how tough is it to think that GuysForum.com would be a forum about guys or MedicalForums.com would be about medicals. And having that domain name might be the edge that they want. And they may say yes but I don't want Medical Forums. Okay here are 700 or 800 other names that you might want in that area. So that is some of what we do.

Michael: I understand. So instead of focusing on a horizontal like domain forum, medical forum, rc car forum, you are focused on a vertical. You have an entire theme focused on coaching or an entire theme focused on sports. So if SportingForum.com doesn't interest a potential buyer you have a host of other sports related domain names that you can offer them, that they might be interested in.

Page: Yes I think in sports in forum and coaching were vertical but then in forum blog in Wiki the purpose are vertical. It is more of semantic nature of what is the purpose of that name. It says what is does and it does what it says so just the idea that it is a forum Wiki or blog name means that someone is starting a blog. Not everyone has a blog right now. It may seem like everyone has a blog. There is still 95% of the public that could have a passionate hobby that they haven't written about. So we do a lot with blog names because it gives some of that edge. In some cases the horizontal is our vertical and boy that sounds like I should trademark that phrase.

Michael: Too late I already did it. So I love the fact that you are a systemized guy. You have a process down for your daily activities. Walk me through part of your day. You start out, you probably roll in the office around 6:30, 5:30.

Page: I will give you some highlights. I think this sets up well for a presentation that we did for traffic Orlando. So I will just kind of think back to that. So you are coming in overnight, we do a lot with .tv and the .tv drop happens overnight. So we are checking what we got. We are checking what we might want to get. Then you have got the .org drop which happens at a different time. So there is your take away. Now you know that .org drop doesn't happen the same time as .com and .net. So you have the .org drop at 9:30, you have NameJet bids on central time due at 11:00. The .tv name auctions start at 11:00. You have got the 1:00 drop. You have got five hours of GoDaddy public auctions. Towards the end of the day you are going to find out what you won at Cool or Snap. You have got Snap and NameJet auctions at 2:15 to 4:00. You kind of get a break from 6:00 to 10:00 at night. And then you have got NameJet bids for expired names due at 10:00 at night. You have got Snap Name bids due at 11:30 at night. And then you are going to sleep and you are waking up the next day and doing it again. It is 24/7, 365 except there is, this might not be worthwhile, there is a domainer holiday and I haven't figured out when it comes but there has been two times in the past eight years where there hasn't been a drop. And I think it has to do with leap year and if there was 366 days before the break. I can't wait for the next one and we should have a big trade show or convention because none of us will have an expired name process to do through.

Michael: That is a great idea and if somebody can name that day, that domainers have a holiday, and post it in the comments the first one to do that I'm going to give a special DomainSherpa prize. I don't even know what it is but if somebody tells me what that is I'll give them a special prize.

So I understand how you are setting up your daily activities. It is based on all the drops. So you are looking at all the millions of domain names have been registered and what is dropping in each of the different marketplaces and you are organizing your entire day based on that. You have got a strategic focus, you understand what horizontals and what verticals you are in and based on that you are going to each of these marketplaces and you are looking at what domain names you want to buy that fit your strategy. So you are executing your tactics against your strategy that you have developed. Now my question for you is how do you manage all of them? My head was spinning just talking

about all those marketplaces. How do you physically manage all those marketplaces? Do you go to every single marketplace itself to put in your bid?

Page: It can't be done and there is no longer any good domains out there. Everyone should focus on one thing and it should be the one thing that I am not doing. I guess that all I can say and I'll go back to 2003 when I kind of restarted domaining back to my timeline. So coming down from bubble one. Everyone kind of hunkered down. AOL was worth nothing. The company that one time was the most dominant force on the Internet that you couldn't start any business model without thinking about how AOL competed with you was all of the sudden having no value to time values. So if that wasn't worth anything then nothing was worth anything. That is terrible language but anyway you had all these names coming back and all of the sudden I saw a news story one day and I said I want to get that domain. And I went to get it, got it and then a day later found out I didn't own it.

And then in trying to investigate that I found DN Forum which is Adam Dickers wonderful forum and I started seeing these things about domaining. Learning about domaining. And each day I would do the drops that I didn't even know existed. And they would put up 40 or 50 names for sale. And I would sit there and say listen if that guy has done all the hard work of figuring out with his brain what are the best names and he has bought them and he is trying to sell them for \$50 or \$60, I just want to look at everyone's list and take the top two to three. So I think that is an example of what we are going to have more of in the domain investing communities, is someone who is investing not someone who is full time sitting there looking at every spot. But we do.

We try to do what someone might do as a hobby as a full time profession. So that we sit there and we know in advance what we want to buy and at what price do we want to buy it because if you wait until the middle of an auction where you have to make a quick fast decision it might not be the best decision. And you have to be willing to let stuff go. You have to have already thought about where do I want to buy that name and under what circumstances do I want to buy that name. So back to the idea of being informed I lived as an outsider then learning from other people. And they

were making money by buying names where they could be bought and then selling them to me. So as you get into it further and further and further you start knocking down places in the vertical distribution channel where you start getting more to the real true cost of the name. And then hopefully on the other end you start dealing directly with customers to be able to get the highest possible price for the name. So that is kind of where we are at.

Michael: So when we were walking around Chicago you were actually doing hand registrations then. I don't think that you were looking...You might have been getting emails about domains that you had bids in that you won but I think you were hand registering things.

Page: Right so we look at the \$8 price for hand regs domain names as really an option. To have the exclusive right to renew that name in perpetuity if we like it. And on the down side we are out \$8. And I think sometimes especially in our market right now (which is very liquid) it would be very hard to buy \$200 names and then automatically think you could sell them back for \$192 therefore losing \$8. So we like the fact that by paying at the root level of the \$8 and then knowing that we can let it go we fixed our down side, we have got unlimited upside.

I read a Forbes magazine article way back when Sumner Redstone of Viacom said find an asset with a bunch of upside that you don't have to pay for and then make the upside worth something. So I've always saw domain names as that unlimited upside option on the future value of the domain name. So we've let a lot of names go too. We can register something today that is better than what we could have renewed. We are going to let that one name drop at a renewal file and upgrade out entire portfolio by getting a better new name. And so we don't know what is going to happen to the domain market but we want to be in there with the best quality portfolio we can.

Michael: So when you mentioned the quote look for the upside. You will buy a domain name for \$8 and you are hoping that the upside will materialize over the next year or are you actually doing something to add that extra value to the domain name?

Page: That is where most domainers, myself included, have been sloppy and lazy. We would love to just send our list to a portfolio management company, a parking company, and let them do it. And for a long time that happened very easily. And zero cost revenue is very addictive. Revenue that comes in that is 100% margins that you don't have to do anything to do. You don't have to hire people. You don't have to pay for it. It is very addictive and it is very hard to step away from. So then we have the idea of development. How can you go make the site be what it can be which is a multiple of 10, 100, 1,000. I mean look at Groupon. You go to \$6 billion in four years. And in between I thought we had better beyond parking alternatives. Whether it was mass portfolio development, ease of development, instant one page builders. And we frankly thought that we would be able on a portfolio basis to do more than we have. We may just not see what is out there but we thought that by this time we would be able to take a group of names and groups of 50 and 100 and be able to at least put up an artist rendering of what that site could be to paint a picture for the domain name buyer. So we may have to go do something ourselves. Much like Frank Shilling said hey we need to bring a domain owner's perspective to parking because we haven't seen interface from some of the service companies. We may have to end up, or hopefully somebody else will, do something like that because I think any work you put into a domain name has value and you get a return on that effort.

So back to your original question when we go for that first renewal we want to see that the trend is working in our direction and we will keep renewing it. So we look at a name, we figure we are going to renew it for five years. So we look at the free reg and say is it worth not \$8 but is it worth \$40 because we are going to probably have it for five years. And then we are going to evaluate offer and what is the best offer we can get. So we do a lot of business in the \$1,000 to \$2,000, to \$3,000, under \$5,000 range because in most cases someone is still buying it just on what their marketing budget has for that quarter. How much money can I make for this quarter just on this one specific project? Much like maybe 100 years ago you bought 100 acres of land just to feed that year's cattle. You know what I mean? You didn't look at things like real estate is - 20 years revenue, 7% cap rates, you know all these multiples. And that is where we are in the domain name business. We have people buying names from us that are happy to buy them for just the next month. For the next three months. For the next five months. And that is



where we think we have upside because over time people will say gee if that name can an annual project that can produces \$5,000 or \$10,000 a year for ten years then I pay say \$5,000 for the name in year on I only have to pay \$8 a year so I'm paying over 10 years, \$5,100 that is \$500 a year that is \$40 a month to own a great asset. So that is what we think we have the upside is we think we have price discovery above us to go through.

Michael: So if I understand correctly you will buy a domain name for \$8, you will hand register a domain name for \$8, you will plan on holding onto it for five years and you try and sell the domain names you purchase for \$1,000, \$2,000, \$5,000.

Page: That is probably about right. We do price all the names that we have. We would rather paint a picture of exactly what that person can get that name for. And even though they might have paid three or four or five times over we think the proposition is so exciting that they are going to look at it and say I can get that for that in my business and I know what I can do with it? And most of the time they are buying. We've even had some people, you are not going to believe it, they come back to us a year later and say do I have to pay the \$1,500 again? So that means they bought the name in year one not knowing if it was \$1,500 a year or \$1,500. We don't sell every name that we buy for \$8 for \$1,500. The industry average is 2%, or 3%, or 5% are probably true for us too. The greedier we are in what we ask for the less names we are going to sell. And if we brought everything down to \$149 we could probably sell a lot more names. So trying to figure out where that average is is a big part of what we do every day.

Michael: When you say the industry average of 2% or 3%, you are talking about turnover of your portfolio?

Page: Right say we have 2,500 names, we are going to sell 500 names a year, we sell 40 names a month but if we are selling those 40 for \$2,000 a month that is \$80,000. So the turnover number in number isn't relative to the turnover number in dollars. We know that we have to sell at a minimum. Your viewers have figured it out. We have to sell at least twice what our renewals are to pay us. And fortunately we live in Tennessee and it doesn't cost a lot but we pull our lifestyle out of this company too. And buy more

names. We do reinvest the money that we make. We do it and we feel like we are playing with house money especially with new TLDs. We try to be positive and I would encourage anyone to always be cash flow positive in paying new TLDs. And then you can have a lot of faith in going forward because you know that you are in it with house money. But if you are not then it becomes harder to have that.

Michael: Definitely whenever I go to Vegas and I play craps I always like to make sure that I am playing with the house money and if I'm not then my wife makes me go to the hotel room. So what are some of the domains that you hand registered today Page?

Page: You are not going to believe this. This is the first time in four years that we didn't get any before this interview. But we probably would have done some stuff with geo domain names. I'll tell you what I did yesterday. We took the list from the top metropolitan areas and we have bought some names recently with family or moms after it. So moms blogging is a big thing that is happening lately. We are going to take the top 65 metropolitan areas, put moms after it and see what we can get. What it does is it gives us an idea in what is taken and what is not taken. So that is kind of where the market is. And if we look at a disproportionate metro area of 700,000 that is not taken when everything below it is we are probably going to make a reasonable speculation on that name and take it. Or if we see a name that has particular appeal or demographics that we like we are probably going to pick up nine or ten of those names.

Secondly there is a lot going on with refinancing right now. So under 4%. So we will probably look at some names that are 4% refi, under 4% refi. And again we are not going to get great EstiBot stats on that right now. Right now you could walk into any domain conference and sell this name for \$5,000. But we are sitting there saying that if someone is out there looking for a name for their business will this name have some unique appeal and have very close substitution. Are the words in the domain name words that are very hard to substitute for, whether they are synonyms or they just don't have the bang, they don't have the punch. And so that is probably what we do. We read the Wall Street Journal and we could probably come up with four or five names from that.

Michael: I'm getting the idea that you are looking at the trends, you buy some domain names, you make some educated decisions about which domain names you want to purchase by combining geos with specific words. You hold onto them for five years and then you will evaluate whether it paid off or not. Whether the trend continued where you thought it was going or whether the trend stopped. And then you will drop if it stopped.

Page: Yes. It was funny because we met at the geo show and they talked about NFC. Near Field Communication and I'm looking at them thinking three years ago I registered Near Field Communications this and thought the trend hadn't happened and maybe even let them go and didn't keep to my five years. You know what I mean? And so some you can be too early. But I don't want to portray, I just have to have my disclaimer. Don't go out and buy what you think could be worth more because every name could be worth more. They all have that potential. But you have to sit there and say who is the prom date that you want to take home with you. Who you are going to stay with. Warren Buffet would say what stock would you want to own if the market wasn't going to be open tomorrow. Wasn't going to be open for a year?

I think for us it is what name would you want to own if there was no parking revenue. If there was no Google this and there was no Google that. So we used to go to shows and say we buy non revenue names. We buy names that are just attractive. And that is probably the part of the business that we focus on.

Michael: Great advice. I want to dig into a couple of the tools that you use Page for buying domain names. It's not an endorsement for any tool or any registrar out there. Everybody has their own favorites. What tool do you use for quickly searching if a domain name is reserved? If you have an idea and you want to type it into your phone or you are at your computer and you pull together a spreadsheet of Seattle Mom, Seattle Dad, everybody in the family and you want to plug it in. What tools do you use?

Page: I'll stay away from a specific mention because there are a lot of them that do the same thing. We will talk about expired names for a second.

Everything we do there is on Excel or Google docs. We have just gotten really good at matching up a column of our top 65 metropolitan areas or our top...we go through the weekly domain name sales list that everyone sees and we pull out the end names and the best beginning. And we say what prefixes and suffixes are more likely result in a better sale. And over time if we see a trend like seven years ago we would see Now Technology. So we are going to run Now Technology against foreign blogs, trade show, tv (you know you can have a tier in your own technology show in tv.com) and we think that is a reasonable speculation to hold that. So a lot of what we do there is just the wonderful things about Excel where you can put in two columns, combine them, run the whole thing, take 500 names, go to GoDaddy, go to the bulk registration tool, hit it, put it in there, come up with 120 that are available and then we go back to a traffic checker that says how popular are these words. We may say where are the .orgs and .nets taken. And so if you combine together the various tools you can come up with a systemized way to say wow there is one diamond inside this rock. That even if I looked at it this way and this way maybe should have been registered. And then I have to say do I want to register it? Just because it should be taken doesn't mean you have to go get it. And then you say do I want to?

And then with the expired name list it is up to like 60,000 names a day. And I would advise someone at least for one day to do through the entire drop list. For no other reason than to understand the magnitude of what is going into it. And remind yourself that you are searching through the trash. Someone has decided that that name isn't even worth \$8. So you have to tell yourself you are a picker. You are just like these antique shows with the pickers who are going down the driveway, it's in the trash, and you have to ask yourself are things going to change or did someone make a mistake or do I know something that someone else doesn't. After you have done it once the next day you take the 60,000 names and you can say I only want the ones that have high keyword searches. I only want the ones that are first names or short names or have a high click through rate or have been registered for more than eight years and once you start doing that you get rid of a lot of stuff. And even though there could be a really good domain name in those 55,000 names that I don't even look at each day because I'm trying to carve off different parts of it, chances are I've got a good systemized way, a good chance of probably seeing what other people want.

And then you run into whether one other person in the world also has the conviction you have to bid against you to buy that name. And you play this little game of chicken each day that we all play with each other. Do we think it is worth \$69 to bid on Snap Name and pull a NameJet? Or are we going to try and get it by ourselves? And if we are not which one of us is going to go in between drop detection services, which one of us owns our own registrar so we can get it ourselves? Which one of us is ready to just pay up and show our bid early versus just showing your bid late? And so even when you have identified what makes a good domain name (this will be part of our education that we do to start with like in the book) what makes a good name, how do you pick a good domain name and then how much to pay for it. And that could become a whole other systemized way of how do you bid, when do you bid, and there are more bidding strategies out there than ever. Do you go really high early or do you just block someone up every five minutes? And it would be great if more people know about that. More people will appreciate the nuances of that.

Michael: We are going to save that for another interview. We could have an entire interview just on like playing poker on the different marketplaces. But first I want to take a break Page. I want to say that you are providing so many great ideas and tactics during this show. I try and pick like three ideas at the end of a show and try and summarize them in written form so that is people don't have a lot of time right when the show comes out they can read the takeaways and go do something and you have got so many...I don't even know what I'm going to pick. So let me just say that this is a fantastic interview so far.

Page: And I have got one for you so when you get a chance give me a chance for one.

Michael: Ok, let's turn our focus away from hand registering domain names and look at premium domain names. You own some great geographic domain names, like SimiValley.com and RanchCucamonga.com – which I just love saying – both in the Los Angeles area. How do you decide what premium domain names you're going to buy and invest in given that they do have such a high price tag to begin with?

Page: I think that in premium domain names you are definitely looking at something that has value. You are not competing against a pre-reg name where you think it does or doesn't that. And it is what you can pay for it. And what we learned with Seniors.com is it comes down to the name. I mean I would love to say it comes down to the domain. That I had something to do, like what I did with Seniors.com and Guy.com, but it comes down to the name. Seniors.com was a fantastic name. It represented an amazing economic opportunity. Guy.com represented half the world! Okay so how big are your demographics? Half the world! So when you talk about cities you have a specific thing where there is only 350 cities about over 100,000 in the United States. And a lot of those names are locked up and you are not going to be able to get the guys, a lot of the guys are associated with cities now. So we knew that to get those names we would probably have to pay up. So as they became available and different people wanted to sell them we just made a value play that said can we make \$1 per person of population for each one of those cities each year?

Simi Valley is going to be different than Nashville.com or PalmSprings.com or Boston.com. People aren't going there. You still have got soccer games, you still have a lot of shopping and commerce. I mean the sales tax page is still \$350,000,000. A huge metro trade center is its own area so we like the fact that with Simi Valley, with its own area, you had to be glad with the valley to get to it. And we said tend this name as some point in time be a media properties, that we have an exclusive franchise to be the one and only SimiValley.com and we have paid for it. Plus we want to feel like we had a defensible moat around us and that it had the ability to be worth ten times that we paid for it. So if we can make \$100,000 a year, as our net franchise value for every person in that town, we could think it has \$1,000,000 story to it.

Some names it is just good, they may not have a great potential but you know that they could be worth \$40 and if you can get them for \$12 and sell them for \$40 that is terrific. But we look for the ones where we really think the upside goes beyond what we paid and can grow as trends come for us.

Michael: Let me focus on one example. SimiValley.com you bought how many years ago?

Page: 2008 so three years ago.

Michael: So three years ago and I have a number down in my notes but I think I might have gotten it off of DNJournal.com. Is that public information how much you paid for it?

Page: I would say now because it is probably not worth. We paid \$90,000 for it.

Michael: And I see it for sale on your website public information \$175,000. So why not go for that ten time number that you were talking about? If you bought it for \$90,000 why not sell it for \$900,000?

Page: We thought we'd have a lot more hands-off geo portal development that could be done where we wouldn't have to do anything but own the name, rent it out like a piece of rental property. We thought that we could segment it out with real estate and I had actually thought I would be back in California probably running it with people there which I haven't done. So unless I felt like I was ready to be in that town with salesmen running that name then it still just cost me \$8 a year to keep it. And so the mode of development is that first thing where you go have all the expenses all the effort before revenue comes in. And is it better that I haven't made any money by building it out or is it better that I haven't lost any money by building it out before it was too soon? Three years ago maybe a quarter of the town was on Facebook, now 60% is. More people are using their mobile devices and is my timing better? I think so. Are media companies more likely to understand what is happening there? And fortunately because we have about five cities of 100,000 people we have got five of them to sell. If we sell one we still have four more to go.

Michael: Do you go looking, based on your strategy, do you go looking for premium domain names or do they find you? Do you get newsletters and you see a premium domain name and you say that fits my strategy, I'm going to make an offer on it?

Page: I think both. I think you run into the seller persona that says I've had this name for so long and it's been part of my identity and you almost can

never get some people to sell. So if you have some of the newsletter people and the people that do that job kind of shake the tree loose and get a number at them and get the name onboard then it make the name in play and I can make an economic decision to buy. So I am more likely to just want to look at what is the name and what can I buy it for, then I am just not affected by the strategy of taking someone through an idea where I am saying I want to buy your name but it really stinks and it is really not worth anything. It is really terrible but I still want to buy it but you just have to look up your EstiBot number and you get 10% of your EstiBot number. You know I've just never been effective doing that when the name was of value.

And so I would say I like to look at the name and the price and make an instant decision and less likely to just go prospecting and say what would you take, have you ever thought of selling. And fortunately there are enough names out there because even some of the largest portfolio investors we have, have got there whole inventory out there priced and you can just look and say do I like that name for that price? And then pull the trigger. It's the name, it's the name that is going to do it. So a good name that sticks out. It just sticks out. It isn't EstiBot or this, that, or the other. You just know. I want that name and I'm willing to be the one that is holding onto that name asking for the big price later. And to do that you have got to give that guy money to take his position.

Michael: You just know a good name. Clearly you just know that Simi Valley, Los Angeles, Seattle, any big city is going to be a good name. You just know it. Any most single words. Horticulture may not be a good one but gardening is a great one. You just know it is a great one. What is the gray area in between knowing it is a great one, knowing it is not a great one, and then there is stuff in the middle? Do you buy any stuff in the middle?

Page: Oh yes. I would love to say that we are just so happy with every name that we bought and we have never overpaid. But sometimes just because something anecdotally can happen in your life, like you hear a word one day and a week later you look at your names and you see it and you are like oh my gosh that is going to be really popular and you may over emphasize the popularity of certain words or names.



Secondarily you may not know everything you think you know about a certain business or industry. But we look at substitution mostly. How far is it from the pinnacle of whatever it is supposed to be doing. So Seniors.com we thought was the pentacle. Now you could say you need to have Boomers.com. You need to have ThirdNames.com. You need to have AARP.com. You need to have a bunch of stuff. We would sit there and say how far would you be looking up at the top with the name that you have. And even if it is in a small area. If it is DenverMoms.com. If you are doing a blog about Moms in Denver then DenverMoms.com is pretty close to the top and that is what people are going to pay for.

Now someone could say you know you had DenverMother.com that is just as good in EstiBot and it is worth the same but you just kind of know that it is not. Now if someone says prove it to me – and that is what we are all about right now. All the domain industry has gotten so smart that we want to know exactly what a name is worth, exactly. And we will tell you what percentage of that will pay for it and we will all line up and have a distribution system based on that. There is a company right now that says we can convert your domain name to cash. That is not selling your domain name for me. I can go...no one sells a house that way and says we can get you something for your name if you just want to convert it to cash. Our buyers seem to be happy. Our buyers brag in news articles that they got this name that defines what they do for \$2,000 or \$3,000 or \$5,000. And oh my gosh I think that is the people that still seem to be happy. My job as a domain investor is simple. To buy a name when it is for sale and hold it until that point where someone wants to buy it. And I make my money in the middle.

Michael: And I am going to ask you a few questions about selling domain names but a couple more around the process of buying them. When you bought Seniors.com for \$105,000 or you bought Simi Valley for \$90,000 I know you have a war chest for selling great domain names. Do you get nervous when you spend that much money on a domain name even though you know it is a great domain name?

Page: Absolutely. And you have to decide whether it is nervous good or nervous bad. Is it the still small voice saying don't do it or is it the voice that says this is risky, you stepping up above where someone would go but that is

the only way to get the name onboard. You can't sell a name that you don't own. The only way to make a lot of money from selling a name is to actually own it so sometimes to get it onboard. If it is a good name you have got to step up and pay above what someone else is willing to pay. But then you have to hope that the status quo changes and people look back at it and go oh my gosh if I could get that price now I'd love it or I can't get that name now. There is no duplicate. I mean people talk about calling premium names generics. No one in business wants to own a generic name. Generic means no profits. Like a drug company. We want to say we own special unique names. We call them "pure play domains." It is a pure play in what it does. It is exactly what it does and it gives you the prestige and the ability to want to communicate every day how to get to your website. So it is kind of hard to do that and then all of the sudden tell people I want to give you .10 on the \$1 for what it is worth because it is really terrible. Or you want to buy it for the cheapest amount you can get. Go buy the cheapest domain you can. And I think that we are so early in the game that paying up on today's prices still gets you the best quality.

Michael: So unlike with the hand registration that you will keep for five years and evaluate if the trends are moving in the right direction premium domain names you will keep as long as it takes?

Page: No I mean you have got to sell some every once in awhile just to kind of reconfirm that you are not completely hoping on everything. The recent book that was done The Greatest Trade ever talks about the black swan theory. And it is fun to be the black swan when the ship comes in and you are the only one that be on reverse mortgages or mortgages dropping and you make all the money, but in the middle you are running around saying to everyone else don't you see this? Don't you see this? Like what we are doing with .la. Don't you see that .la can be the great geo TLD that is here right now and you can buy? And everyone else said no that stinks, it is terrible. And you are running around with the black swan, the only one doing something and it does feel weird. So you do try to sell something along the lines to keep reconfirming that there is some value there. You know what I mean? There is some value back there.

And then I think the second thing is, and we do this a lot and this comes from my financial background I guess, if I can sell a name and feel like I can take those funds and strategically go out and buy a name that I like at least as much or hopefully twice as much then again I feel like I have used the transaction to submit in the gains that I had in the first name. I have been able to reinvest a portion of it and still be in the game with the same quality of name. Now no two names can ever be alike but it is an arbitrage strategy that kind of say I'm still in the game with money and a good name and I am going forward with that. So we try to do that as much as we can when we get to that point of the negotiations when you really feel like you have got their last and final and best offer. And you are really having to just say do I want to sell for this. Up until then you are always trying to get more, trying of a way to get more, trying to think of another buyer that might come in to get more. But when you really look at it some of us will use that. And it may just be a rationalization.

Michael: Have you ever sold a domain name at a loss to be able to take those finds and move it into something else that you like a lot more?

Page: I don't think I can point to a specific name but in a theme we have taken 50 or 100 names and put them out there and let people pick the best of them. You know that we are going to take the money and go reinvest it in other things. As opposed to really trying to be scientific and say no we are only going to sell the worst things on that theme. We need to paint that picture because every domain name in one of our themes, and one of our purpose names that we get out there and someone builds, it gives us something to point toward to tell someone else hey you can build a name just like this in your area of interest whether it is a forum or a blog or something like that. Just like what they are going it gives them a pathway to go to. I would say on a specific name no, but on themes of names yes. We will let people choose from a list of 100 and try to get one name on board for them and we are not going to look at them and say I can't believe you picked the best one.

Michael: Now I want to turn to selling domain names and the first question that I have for you Page is you have got 25,000 domain names. I think every

single one of them has the price tag set on it. How do you determine the price of a domain name you own?

Page: I wish I could tell you anything else that I look at it and I price it. And I just say what would I take for it? What would I take for selling everything this name could potentially be that I would be happy with and tomorrow I'm going to have money which doesn't grow -- right now, you get .25% in the bank -- and they are going to have everything that that name could become. And I just have to make sure it's a name that I am happy with and when I do get the message from GoDaddy premium listing or Sedo and say your domain just sold. You don't want that to be a negative moment. You don't own about 10,000 names and sell the best one you have for \$1,000 and say I can't believe I sold it. You want to already know that I made a decision I would let that name go at this price. And if you left something on the table, great, because your buyer is happy and is more likely to come back. He is more likely to tell people he got a great deal. So I hate to say it to people but what I said 20 minutes ago you have to step up and over pay a little to get quality and then to get it out the door you might have to leave something on the table. But if you want to be active, which we need to be based on our portfolio size, we have got to do that.

Now if you just own five names I think you can take the ability and say I'm going to wait for the perfect storm to buy a name in the perfect most egregious situation for the seller where I can get it and baby I'm going to hold onto that one and never sell until the person comes in with money rolling out of their pockets and the whole thing. But with a portfolio you probably have to be more active, sell for less and buy for more.

Michael: I understand. I'm going to throw out one of the domain names that is on one of your marketplaces. Don't look online to see how much you have it priced at. Don't look on your spreadsheets. Close your books. YoungEntrepreneurBlog.com. What is the price tag on that one?

Page: I'm going to guess \$2,500.

Michael: Dang, right on the money. So I don't even know how you do that. You see I would go and I'd say how many people are looking for

entrepreneur and blog and look at the search volume. You know what Andrew Rosener suggested when I had him on the show and pricing based on how much it would cost to obtain the top marketing position. But you don't do that. You are saying most of my domain names that I am buying and these niches that I have set up, I have got strategic vision for these horizontals, for these verticals, I know people are going to pay \$1,000 to \$5,000 for them. I'm going to price it in there based on...

Page: That is all we are limited on. Right now I'm limiting my upside based upon my imagination. Of what I can imagine that thing could be worth. And if someone knows what it is worth to them to write a young entrepreneur blog about young entrepreneurs, which means you have an online market, people are looking online, they are already active online, they whole business is going to be online, they want to learn more, they are going to have great advertisers, they are going to sit there and say gee over ten years that is \$2,500 divided by ten is \$250 a year, \$20 a month, that is less than I pay for any virus software. That when I go to any trade show and say that I am Page Howe from YoungEntrepreneurBlog.com and they immediately they remember what the name is and they know what I do. Or the search engine. How do you put a value on that just by my imagination? And what that means is you could see a painting in the Wall Street Journal go for \$1.4 million. And what happened was someone might have found it in a yard sale for \$50. And they took it to an antique store for \$300. Who took it to a dealer for \$4,000. Who sold it to one guy for \$9,000. Who sold it for \$12,000. And it moves up until it finds its highest and best use. And I still think that we are still so early with most domains moving up that channel to find the highest best use that someone who wants that name why was that price my imagination? And they get it for that and they can make it work quite a bit more.

Michael: So we talked about the different marketplaces that you are monitoring the drops and the auctions and you have your whole day planned out based on the timing of those marketplaces and the drops of the registrars and what you said earlier was your have 25,000 domain names and you want to list them on as many marketplaces as possible because the more exposure you have for a domain name they better likelihood somebody is going to find it, the better chance you have of selling it. How do you list Young

Entrepreneur Blog on your own website, on 10 different marketplaces and manage that process when you have a portfolio that is 25,000 big?

Page: Well I love to say that it is incredibly difficult. It is impossible. We use a unique Google based search algorithm that is proprietary but the wonderful thing about domain names is an Excel spreadsheet. One name is in one row and it is exactly unique and it is never going to have another one like it. So we run all of our databases off of our own spreadsheet that has every name listed. And what is great about it because I can hold my whole portfolio, I mean this is what I own. That is it. That holds everything and I can take that and put it for sale. I can list it, I can lease it, I can sell it and with a cell phone I can do a lot of that. But what I mean is I can compare what I have for sale last month and what I still own. Get rid of the ads and get rid of the drops and that is a pretty easy process to do because every domain name is unique. So we re-price our names on renewal. That new price is going to get factored into the different after markets which again we thought would evolve.

We thought by now that someone, I still the meet on the plane philosophy. I sit next to someone when I am flying out to a domain show and they say what do I do and I say I buy and sell Internet domain names. It's still, "what?" I can't believe it. You mean I could own DenverMoms.com or I could own OKRealEstate.com, I could own that? What does it mean to own it? It means that you control, you get all the rent from it and you control who gets it after you and that is still an exciting story. We don't do that. We just try and trade the domains among ourselves and then I think Andrew Alleman does a great job on Domain Name Wire saying here are some of the end users who have come in and bought names. Those guys have to be the happiest in the world.

Your question was about multi-channel management. We just have to develop a good system to do it. What we do is we make sure that each name is for sale in one place where it can be auto-transferred to the new buyer immediately. Everywhere else it is either make offer or there is never a conflict because you will have someone and he can buy a great name and get off his phone and say man I just bought Young Entrepreneur Blog. And the guy sitting next to him at the bar is like I wish I could buy that name. He may go somewhere and try to type it in and buy it right that and see it is available and I am going

to scoop it right out from that guy. So anyway we have to be exact when we sell names to make sure we get them off everywhere.

Michael: So you list it on one marketplace with your price where somebody can actually buy it and have it pushed to them and all the other marketplaces it is a make offer type of situation.

Page: It is not necessarily a make offer it is just...If you look at what NameMedia has done with their DLS or which what Sedo doing or what GoDaddy does with their premium program. That customer is actually buying the name in the shopping cart and getting immediate delivery at that point. Where we are not initiating a process that says let us explain to you how to a domain transfer code or something like that. So they are getting it immediately. So once that name has been bought and it is in the hands of the new buyer I can't really be offering it for sale for someone else. So any other sale that I have for it is on a conditional basis where I still have to agree...Someone is saying I'll offer you the asking price so if it literally happened that instant I would be able to say the name is not for sale.

Michael: Do you prefer the DLS now, the Domain Listing Service, where you list it with one company where it goes out to multiple marketplaces? Is that your primary sales platform.

Page: We use the GoDaddy system. We use the Name Media system and we use the Savier system. I'm not sure anyone knows and I would love for you to talk to those guys how they overlap with each other and registrar interfaces are working. We don't know what happens if we list on the all which listing is getting priority. So what we have probably had to do more of is build our own store. So we filled out our own stores for green domain names or web20 names or sports names or geo names. And we will probably do more where we actually market our own stores and have people come that don't know what they want to buy. They want to see what is for sale. And all they get offered at the other places is type in a word and we will give you a list of 30,000 names that have golf in. How the heck are you going to figure out what to buy and how am I going to know which names they are going to show first or second? So we try to break it into specific categories. With our sports store you can see fantasy football, you can see golf, you can see poker,

you can see action sports, and you may not know the exact name that you are going to buy but you are going to see what is for sale and at what price and we think that will lead us to a sale.

Michael: I mentioned YoungEntrepreneurBlog.com and you nailed the price tag without even looking at your website, \$2,500. You also list a yearly lease for \$750 or a monthly lease for \$75. How many domain names of your \$25,000 do you think you have lease pricing listed on?

Page: What we did was we did lease pricing on the Web20 which is I think where you might have found that. And we just by happenstance didn't do it on green and sports. Just to be able to learn the process. It is tough because just like with a rental property where you confer some rights on a tenant when they move in, some rights where you can't evict them or you can evict them, when someone takes over our property where we haven't been paid in full it can be an interesting transaction that really isn't defined. So we do put the pricing out there to paint a picture for someone where if they want to not have it hit their credit card, they want to see how it works, of course if it doesn't work they don't have to pay anything. But really when it comes to that relationship it is not completely checked out proof where they can just do it. We have to at least do an agreement but we are giving them a hint of what the pricing would be.

Michael: And do you have very many end users taking advantage of that leasing option?

Page: I've probably done 10 to 12. Most of the time we use it and then go change a process to paint a picture of what we are really haggling over. You know if we are saying \$2,600 and they are saying \$1,200 we are like we were talking about just hundreds of dollars. If you do the \$2,600 over 12 months, that would be \$240 a month. We are not talking about unattainable numbers especially if you are running the site. And then a lot of times with that in mind we will come to a flat out price where they do want to own it right away. And so we probably talk about more leasing and renting than we do actually close transactions.

Michael: So behind you I see something on the wall called TheNew.LA.



Page: You saw that did you?

Michael: I did. What is going on with that domain name?

Page: So .la is hopefully what we call a shared TLD. It is a ccTLD that was assigned to Laos and it is being marketed worldwide as a domain name for the city of L.A. So some other shared TLDs will be .tv, .CO, .me. So they are not these new gTLDs which they say are coming next year (we don't know when they are going to come) and they are not a gTLD so have got some different rules, but we think people still see them, they look and smell and fell like a TLD. They work worldwide. So we looked at the city of Los Angeles with 9,000,000 to 12,000,000 people being a perfect opportunity for a geo TLD that just hasn't been marketed well by the registries. But we get to buy names at market pricing. It is not like one of the new ones coming out where you have to pay a huge amount and get it at auction. I mean the names are right there.

So we have taken a small part of our funds and made a reasonable investment in .la and we will probably try to be a cheerleader for it. Along with the registry manager we just think it makes a lot of sense. If you are worried about the new TLDs coming or you want to practice what is it like to get a new TLD into Google search rankings. Can you convince people that something besides .com makes senses? Why not practice on one of the ones that you can go buy now as opposed to always waiting. Sometimes we always think the next thing is going to be the thing that is really going to crack the code. The next one is going to be the one that is really going to crack the code and with .la we have got one right here. So people can go to the new .la and if you do get a name through us we give you some extra benefits. We send you the names we think are available and are the best. We give you some links in our directory. We are trying to do our part to build up a community of .la web name owners.

Michael: At the beginning of the show you held up your book that you have written. It looks fantastic. It has cover art and everything. When can I get my copy of this book Page?

Page: Stay tuned. I will tell you this Michael if I publish this book and we send it out I will announce when it is available on your show.

Michael: Awesome, and we are going to have you back and talk about what is in the book because a lot of the basics that you used when you started and are still using today and those basics are used in the book right?

Page: Yes.

Michael: I said at the beginning of the show we were going to ask you what your first name is because on the book you clearly wrote H. Page Howe. So everybody wants to know what is your first name?

Page: My first name is Hampton. And it is not just so I can get Hampton.com and have a really taste. My wife always gets Hampton Inns or something like that. It's my given first name. It is a family name from my Father's side and a Scottish ancestor. Harry Hampton was one of the first professional golfers. So I had a choice when I was five to go by Hampton or Page and for better or for worse I chose Page but it is still my given first name.

Michael: So the next conference when we go hang out I'm going to call you Hampton and people are going to be like Mike doesn't know what he is talking about. His name is Page.

Page: It will be our code word.

Michael: Exactly. Let's leave the audience with an action plan that ties together this show, Page. What is the one tactic that you would recommend to a domain investor starting out today that wants to build a successful career? You already mentioned keep your day job. Start doing this on the side. Figure out your strategy. Get your tactics down and then, like you have done over time, then you can move into it full time. What is the one tactic that you can provide to a domain investor starting out today besides that point?

Page: I would say phantom trade, get in some auctions you don't win and try to predict where you think the price will be and see how well you do. See if

you are undershooting or overshooting the market. You don't want to be thinking that you think everything is worth more than everyone else.

Secondarily take some of your money and put it aside and try to have money left when you have learned the most. That may be two or three or five or six months down the road. But you don't want to have a bunch of names that you bought when you didn't know everything and not have the money to buy what you want to buy when you do. There is always going to be a domain to buy, there is always going to be something coming down the road and it is hard to know whether it is a good feeling or bad feeling when you are like I need to pull the trigger on this one. Domaining can be compulsive. They can feel the worst of your compulsive habits or behaviors.

Ron Jackson, those of you who have seen Ron, I mean he is so healthy physically. He looks good. And crash and do all that to all five of us. And besides the physical toll that full time domaining can take because you are just sitting in a chair and you are hunched over and you are all nervous about money, I think psychologically it can feed an addictive behavior and an addictive personality. So I would say hold back some of your money until you have learned quite a bit. Phantom trade. And try to do something uniquely different than everybody else.

Michael: That is great advice. And you know through the entire show you have thrown out these great nuggets of knowledge and advice Page and I know enough about stock trading and buying mutual funds to know that there is a lot of similarities between the two. You know a lot of times people recommend if you want to get into stock investing go to this board where you can sign up for an account and they give you fake money where you can go in and invest and see how you do over time. They have competitions with that. And so I think a lot of the lessons learned in domain names, in investing in domain names, we can learn from investing real money in the stock market. And a lot of great advice that you have provided to the audience on today's show is appreciated.

Page: But the one thing by the way only one person can own it. We haven't yet securitized them. We've tried. And I think somebody will you know get it to where a 1,000 people buy a domain name and they all get to own a part of

it. But right now one person owns one name. And I guess even though it was great and I appreciate you bringing it up, you know the great success we've had four years ago I do attribute that to the name and not always to the domainer. So I appreciate some of the things that have been said but really it's all about the name. And a good name is your ticket. It is your ticket to a good business, it's your ticket to be able to sell it and trying to figure out where to spend your money and on what name to buy, that is the secret. But it is a secret that isn't over populated with people. It isn't over priced. I mean you have got the S&P Trading and 16 times earnings, you have got bonds at 2% which is 50 times earnings. And we are looking at most domain names just so early in the pricing cycle. You have got a lot of upside. You can limit your downside. And the status quo took a big hit in 2008. Just doing things the way they used to be done took a big hit and people are looking to the future and I think owning virtual real estate may be it.

Michael: If the audience has a follow-up question, please post it in the comments below and we'll ask Page to come back and answer as many as he can. If you want to follow Page, he has a host of stores online including: joedomains.com, dnstore.tv, coachingdomains.com, domainoutlet.com, greendomainnames.com, namesfordomainers.com (which I should have looked up before I bought DomainSherpa but I am happy with it now), bestsportsdomains.com, web20names.com and of course where SimiValley.com, RanchoCucamonga.com and EastSeattle.com are located. You can find them at bestgeos.com. You have got a lot of marketplaces there Page. Any others that I didn't mention that you want to highlight?

Page: No I will say to your viewers that have lasted this long I will give them a little benefit. For your viewers only we are going to announce that for seven days after this goes live we are going to put about a couple hundred names at domainoutlet.com and we are going to put them all at \$99. [See end of video for URL to visit and view domains.] And so if you want to test buying a premium domain name, you may think that they are not worth \$99, but we are going to put some names on there that we think are pretty good and that you can buy. An easy transaction. And we will put those up there for a week for DomainSherpa members before we announce it at domainoutlet.com because we only list names on there for two weeks. They are there and then

they are gone. So we will put those up and so if you made it this far in the interview then you have got seven days over everyone else.

Michael: So as soon as this show comes out I'm going to encourage everybody to watch the whole thing because somewhere in the show you have a special for great domains that you are blowing out and they can find out where to get them and go to look at them. So you are going to hold off on those until the show comes out right?

Page: That is exactly right.

Michael: Great then we will work that out. Page, thank you for taking time, coming on the show, and being a Domain Sherpa for other entrepreneurs and investors. It is appreciated.

Page: Fabulous. Good Day Michael.

Michael: Thank you all for watching. We will see you next time.

**Watch the full video at:**

<http://www.domainsherpa.com/page-howe-jomedomains-interview>