

### How a Fishmonger Lost \$300K Learning the Domain Name Ropes - With Andrew Rosener

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How does a fishmonger who lost three hundred thousand dollars in bad domain name purchases at the beginning of his career end up becoming a successful domain name broker? Stay tuned to find out.

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Michael Cyger: Hey everyone. My name is Michael Cyger, and I'm the Publisher of DomainSherpa.com - the website where you come to learn how to become a successful domain name investor and entrepreneur directly from the experts. We all lose money at the beginning of our domain name careers. Investing in domain names stays a hobby for those of us who continue to lose

money, break even, or turn a small profit. But for some of us, we learn, adapt our strategies, and begin making good money. Professionals, in my opinion, are those individuals who buy and sell domain names full-time and make it their primary income. On today's show, we have one of these people.

Today we are going to learn how a fishmonger who lost three hundred thousand dollars in domain names ended up turning around his strategies and tactics to become one of the most successful domain name brokers in the industry. Andrew Rosener is a professional domain name investor and broker, who runs Media Options. He has worked with top-level executives at companies including Coca Cola, Dow Jones, Google, Tesla, RetailMeNot, Restoration Hardware, The Boston Celtics, and many more. I invited him here to talk about the beginning of his career as a domain name investor. Drew, welcome.

Andrew Rosener: Thanks, Michael, glad to be back.

Michael: All right, so let's turn back the clock, and I know after a number of years being in a certain industry how difficult it is to do that. What year was it approximately and what were you doing when you discovered that there was money to be made buying and selling domains?

Andrew: So, at your request, I did go back and I did some digging, and I really tried to figure out the answer to some of those questions. I think my first domain registration was around about 1997, and it was something to the degree of ClickProvidence.com, I believe. But then, I had a few domain names, which I do not even recall what they were, but I did not know there was an industry. I did not know there was resale or anything. These were things I thought: "Oh, I have some degree of IT background." I was in college.

Michael: And your dog wants in on the interview too.

Andrew: Exactly. He wants to be a part. He wants to be a part.

Michael: Nice.

Andrew: So, it was 2005 actually that I realized there was an industry; that there was this aftermarket; that there was a robust industry; that there was people actively buying and selling every day.

Michael: How did you find out about it? Like how did you even hear about it?

Andrew: So, that is a whole other story, but basically, Tess Diaz from GoDaddy, who now works for me. Tess Diaz was my account rep at GoDaddy, and one day she called me out of the blue. We were on our way to our friend's farm in Upstate New York, and I was driving and it was a long drive, and I got a phone call from GoDaddy and I was like: "Whatever, what do you want?"

Michael: What are you going to sell me? Yeah.

Andrew: "You have got all these domain names, and what are you doing with them," and I was like: "I do not know. I thought they were cool." And she told me, "Well, you should be learning more and buying better domains, and here are some blogs you should check out. Here are some websites. Here is this forum. And by the way, there is this whole aftermarket of people buying and selling these things." And I was like: "Oh, interesting." I think we spent like maybe an hour on the phone, discussing this. And the reason I hired Tess now and she works for me now and I could not be happier is that she is just amazing at follow-up.

So, she followed up with me and was like: "Send me links," and really kind of brought me to the next level to sort of help me understand that there was this industry and pointed me in the right direction. Basically told me to sign up to get the DN Journal newsletter so I would start seeing about all these sales that were taking place.

Michael: So, basically you owe Tess. I hope you are paying her really well, Drew.

Andrew: I do owe Tess. I do owe Tess.

Michael: All right, Tess, that was for you. So, what were you doing for a living when Tess called you up and told you about the domain name industry and that there was an aftermarket?

Andrew: I was in the global seafood commodity business. I sold dead, frozen fish, and I specialized in scallops.

Michael: So, all these boats go out. Where do scallops come from? Alaska? No.

Andrew: Oh, man.

Michael: Where do they come from?

Andrew: You are opening up a can of worms by asking that question.

Michael: So, they are everywhere.

Andrew: They come from all over the planet. Traditionally, New Bedford, Massachusetts is the scallop capital of the world. However, due to aquaculture, China, the Philippines, and Vietnam, primarily China, are major producers of scallops, primarily the bay scallops - the small ones. And then you also have Latin America. You have Chile and Peru that are major producers of scallops, both wild caught and aquaculture. And New Bedford is still a very robust hub. Actually I think it is still the largest grossing port in terms of dollars, or I do not remember. I do not remember if it is in terms of pounds traded or dollars value, but the largest grossing port in the United States still.

Michael: So is that was a fishmonger does? You buy seafood in bulk at a fixed rate and then sell it to stores?

Andrew: There are many different levels of the industry. I mean what I did is I sat in a little office in Newport, Rhode Island and I bought and sold frozen scallops primarily. We dealt with some lobster. We dealt with some of these small Canadian shrimp - *Pandalus borealis* -, but primarily we dealt with scallops. And I was buying. So, basically you have got packers. Okay, so you

have got the fishermen, and the fishermen come in to port and the boats are either owned by the packers or they are selling at a dock price to the packers. And then the packers are basically taking, chucking it, cleaning it, or doing whatever it is so it is ready to be marketed. And then, it is difficult to say because some of these things are totally integrated - some of these companies -, but let's pretend that each segment is a different company.

So, we would buy from packers, and those packers might have been in New Bedford. They might have been in Chile. We were probably the biggest buyer from Peru for a long time. We were probably the biggest buyer out of Japan for a long time. And so, we were buying from packers in all of these different places. Tons from China. We were selling about 30 million pounds of scallops, or seafood, per year. Most of that was scallops.

Michael: 30 million pounds per year?

Andrew: Yeah.

Michael: Wow.

Andrew: Yeah, 20 million.

Michael: 20 million to 30 million. Somewhere on that order of magnitude.

Andrew: A lot of millions. A lot of pounds of scallops. A lot of dead fish.

Michael: Yeah. And were you successful being this fishmonger that buys scallops and then sells them?

Andrew: I was very successful. I was very successful. I probably should not even say this. My nickname was crystal meth because people thought I must be on drugs. I hustled. I mean it is the same in the domain business. I just hustled. I was not afraid to pick up the phone and make cold calls. And so, we were buying from those people and then selling to very large retailers, consolidators, food companies that were going to take that and then make value-added products, and anybody that could buy in bulk. I mean the

majority of our sales were five thousand pounds basically as a minimum, and then up to multiple container loads.

And I was just hustling. We had a book. We had an industry book of companies and I just went one-by-one every day. I tried to make at least one hundred phone calls every single day and build a client list, and then stay on top of it and keep serving them.

Michael: And how much sales volume did that company - was that your company or you ran the company for a different owner?

Andrew: No. Okay, so I came in. It was not my company. Out of college. So, I had a software company in college. Real quick, and we built custom databases for small to medium businesses. I did not like that at all. Basically got out immediately, although we had a couple successful pieces that we built. But nonetheless, I did not know what I was going to do and this guy called me and he said, "Look, I want to retire in the next three years and I am looking for a mini me, and I want somebody that has no idea about this industry, but has entrepreneurial experience and entrepreneurial drive that I can basically mold into a mini me."

And I basically kind of told him to go pound the sand. I had no interest in going to sell seafood. So, basically he paid me a thousand bucks to come to Newport and see what they do, see what they were all about, and see that they are not actually getting their hands dirty in raw seafood.

Michael: Right.

Andrew: And I did that and I immediately hit it off with the owner, and basically I was his mini me and I grew in the company, and I basically, ultimately, took over the company. Took over all the sales and marketing and operations of the company.

Michael: And is it fair to say that you were successful in this company because you were running it? You were doing 20 to 30 million pounds of seafood per year. It has got to be like a 20 million to 30-million-dollar company.

Andrew: Yeah, we were like six or eight-million-dollar company when I started and, when I left, we were doing about 35 to 36 million dollars in sales.

Michael: So, 20 million dollars plus in sales, you are probably making over six figures per year. Is that safe to say?

Andrew: Yeah, I mean I was. Look, for my age, I was balling. I was like a single guy, living in Newport, Rhode Island. I had a brand new BMW M3. I was like 23 years old. I was rocking out. Actually I just finished doing my taxes and I was looking at some of my old tax returns, and I was making a lot of money. I was making about three hundred grand per year when I left.

Michael: Wow. So, if you are making a good salary and you feel comfortable in that role, why would you even think twice about being called by your customer service representative from GoDaddy, which, back in those days, it was not like GoDaddy today with the weight that they have? Yeah, they are a big company, but why would you even spend an hour with Tess, discussing buying and selling domain names?

Andrew: Because I am an anxious person and I do not sit still, which is why sometimes I am bouncing on the screen. It was interesting thing for me. I liked the concept of domains, which is why I kind of bought a few very early on. Unfortunately I bought crap, but I liked the concept. I liked the Internet. I liked the web. I liked the interconnectivity and the globalization. So, at the same time that I was doing this, I had my girlfriend, who is now my wife. She was living in Germany. I was in Newport, Rhode Island. We had this crazy International love affair for multiple years, flying back and forth. We were using - God, I cannot even remember, but I do not even think we had Skype at that point. That was like 2002 to 2005 time. I do not know.

And we were able to email. We were able to communicate, and so it was intriguing to me. And so, anyways, when I saw people were making money in this and I had sort of dabbled in it, I thought: "Well, I should be making money in this." So, I did not immediately quit my job and say, okay, I am going to be a domain investor. I sort of built up to that. I realized that there was this aftermarket. I did not know that domains expired and you could buy

them for relatively cheap, but Tess introduced me to that, so I started following those auctions and buying a lot of crap.

Michael: So, were you first domain name purchases hand registrations, drop catches, or buying domains in auction, or premium domain names?

Andrew: Well, let's say post-Tess Diaz phone call.

Michael: Yeah, as you moved from just buying a few into investing.

Andrew: Yeah, up to that point I had only hand registered domains. And then, at that point, when I realized about the aftermarket and these drop auctions, and all that, and DN Forum, I bought some on auction. I still continued to hand register some. I could not tell you exactly a percentage or so.

Michael: Yeah, but mainly hand registering stuff and buying stuff in auction.

Andrew: Yeah. Yeah, probably daily I came up with 'this is going to be the next big thing' and I would hand register some stupid domain.

Michael: All right, so give me some examples. What were your earliest domain name purchases? And I made you go back and try and find as many as you could, Drew, because you and I chat every once in a while and I know the kinds of domains that you are buying today, but those domains that you are buying today were not the ones you were buying back in 2005. So, share a few of those with the audience.

Andrew: Let's just say if I put my earliest list of domain names on the Domain Sherpa Review, I would get laughed off the shelf. So, I mean some of the earlier registrations that I had, or purchases, were things like ActForEnergy.com and AmberDoll.com. Let's see. BambooPlanet.org. CRD1.com. No idea what that is. CaughtLocal.com. SustainableScallops.com. CanadianSeafood.com. EatSustainable.com. I hope I still have that one. Let's see. FindSkillz.com.

Michael: Nice.

Andrew: That is classic. JustScallops.com.

Michael: Love it. So it sounds like it is a lot of phrases, brandables, and maybe some generic keyword phrases, like CanadianSeafood, that relate to what your expertise was at the time.

Andrew: Yeah, it was not CanadianSeafood. That would actually be a pretty good domain, but it was QuebecSeafood.com.

Michael: Oh, QuebecSeafood.

Andrew: Which is still not terrible, but it is not great.

Michael: Yeah. All right, so we know the kinds of domain names that you bought when you first started and those types of domain names - ActForEnergy.com - you are never going to get an inquiry on. It is not going to have anybody typing it in. You are looking for that one person. What is your opinion? What was wrong with these domain names, Drew?

Andrew: I mean the easier question would be what was right about them. Everything was wrong with them. They did not represent any specific business, for the most part. Like QuebecSeafood is a niche. There may be a buyer out there that pure, only sells Quebec seafood. The problem is that in the seafood industry it is more of a B2B industry, although that is just starting to change, but it is more of a B2B industry, and so nobody cares about the domain names. It is a commodity. People are trading it. It is not an efficiently traded market, but it is still a commodity. It is traded on low margins and it is a B2B business, so nobody really cares about your domain name.

Michael: So you bought domain names in industries that people did not care about.

Andrew: Yeah. They were not in consumer-facing industries or consumer-facing products. They were not the name of a product, place, person, or thing. And when I say person, I mean like a job description. They did not really represent anything. They were just these like clever little, or to be honest, not

so clever, but at the time I thought they were clever little brandables. And unfortunately, this is a representative list of what most people send me on a regular basis. And at the time, I mean I cannot remember now. I cannot go back and say this is why I bought this domain for most of these.

But when people email me a list today with something like - I don't know - PaidToBeGreen.com, they have got a great explanation of why they registered that domain and why they think that domain is worth what they think it is worth, but the fact of the matter is that it was that one lucid thought that they thought they had that made them register that domain or buy that domain that gave it that value and nobody else has that thought. Nobody else has that idea. The boardroom, when they are making a purchasing decision, did not have that idea and that domain only has value to the person with that idea.

Now, you could get lucky and somebody else comes up with the same idea that you had and decide that that is going to be the name of their product, service, business, or whatever, and it is like winning your scratch lottery ticket and you are going to sell it for five grand, ten grand, or 25 grand. But it is not a way to build a business. You are playing the lottery. You are buying a bunch of scratch tickets, and you are probably better off buying the scratch tickets than buying the nine-dollar domain name.

Michael: Yeah.

Andrew: So, it is not a business. You are messing around, and that is what I was doing. I was messing around, and it took me three years and about three hundred grand in education to learn what a good domain was.

Michael: Three years and three hundred thousand dollars. So let's say that you bought domain names at ten dollars a piece, that is 30 thousand crappy domain names that you purchased or renewed.

Andrew: I think the number was about 18 hundred domains. When I finally looked up and said, "Oh my God, I have got a list of crap," I think I had 18 hundred domains. And I was buying them. I was not just hand registering them. I was buying them in auctions. I was paying a few hundred dollars for

them. I think there was only a handful that I might have paid a thousand dollars or more for. I remember I bought one three-letter .COM on a GoDaddy auction and I was sweating. But I saw these things trading. I saw these things showing up on DN Journal and I thought: "I need to have one of those," and I bought CFJ.com. It was either CFJ or CJF, and I sold it to a law firm, but it was stupid. I sold it for like seven grand. I think I paid four and I sold it for seven, and I thought: "Wow." I thought I won the lottery. I should have sold it for fifty or one hundred.

Michael: So, of those 18 hundred domain names that you registered over three years and paid about three hundred thousand dollars for, what happened to them? Do you consider it just an educational lesson?

Andrew: Pretty much. The way that I have digested it is as a college education. I joke with my parents. I say, "Look, you guys totally wasted your money on my college education." I mean that was worthless. This was good education. It was very, very expensive. I mean you can go to Harvard for less, but it was a very good education and it has paid off. It has paid off. I do not recommend it, but it has worked out.

Michael: So, you said to me, "I worked my bloody butt off for years and lost three hundred thousand dollars before I made my first dollar." Most people, I think, when they start off in the industry, will register a bunch of names. That is the easiest part of the whole process; is registering crappy names. But you said you worked your butt off, which is what you did in the seafood industry. You are not afraid to call people up. You are not afraid to work hard and to put in long hours. You have exhibited that as a fishmonger.

Andrew: Yeah.

Michael: Usually, if you can work your butt off and you put in a lot of hours, you come up to speed a lot quicker. What happened? Why did it take three years to figure out how to buy good domain names?

Andrew: Well, look, I mean if you are a dog shit salesman, you can hustle from 5AM till 10PM and you are not going to sell a lot of dog shit or pigeon shit, as Frank says. And ultimately I was sitting on a list of pigeon shit, and

so it did not matter how hard I worked. There were no buyers. Nobody wanted these things.

Michael: And you did not just get so frustrated that you were like: "Forget it. I am not doing anything. Tess, (Unclear 23:30.7) you"?

Andrew: No. Well, look, I was making a boatload of money at the time, so I did not actually quit the seafood business and go into domains full-time until 2008. So, I could cash flow this because I was making a boatload of money in the seafood business and this was just a hobby for me. It was something I saw people making money and I knew that I could make money. I just had to figure out how. And so, I was just trying over and over and over again. Unfortunately I was repeating the same mistakes over and over again.

Michael: So, what did you start doing differently, Drew? How did you make that transition from buying crappy domain names and hustling to buying domain names that people wanted and hustling?

Andrew: So, I think I have even said it on your show and I have said it in a few other places about sort of what I call my start into the domain business. And it was ultimately I had these names that related to the Spanish ham and I will not tell the whole story again, but I ultimately sold them. So, this ham was illegal to bring in to the US. I was obsessed. I thought this stuff was the best thing I had ever had, which probably is. It is the most expensive meat on earth. And I wanted to import it. I was in the seafood business. I know about importing food in to the United States and selling it, so I thought: "I want to do that. I want to import this stuff. You cannot get it in the US."

Then I found out it was illegal, but I bought these domains anyways in the hopes that someday I could do that. And ultimately, one day I was listening to NPR and I heard that George Bush was about to get one of these hams to the White House. So I immediately got to my office. I started researching who was the importer that finally got it legalized.

Michael: Yeah.

Andrew: And I found him and I called him, and I said, "Hey, I want a ham." So, without going into all the details, we struck a deal. I sold him a group of these four names for five grand plus I got this whole ham. And it was a 15-pound ham. I think it was selling. At the time, I believe it was seven hundred dollars per pound. I could be crazy, but it was at least five hundred. It was five hundred to seven hundred. Today it trades at like 250 to three hundred per pound, but it was like five to seven hundred. He had a monopoly and he told me, "Look kid, it is totally sold out," but anyway.

So, then I told him I had these domains. He was like: "Oh my God, that is awesome. I want them," and suddenly I was getting one of his first hams and five grand. And I thought: "Jeez."

Michael: And what is the name of this ham, Drew?

Andrew: It is called Jamón Ibérico. There are different varieties like in terms of quality, but it is Jamón Ibérico, which is just Iberico ham.

Michael: So, did you hand register these domain names, like IbericoHam.com, or did you have to buy them off of somebody?

Andrew: Yeah, after I tried this stuff for the first time with my wife in Spain. I probably registered these in 2003.

Michael: Yeah, so you tried it. You registered them. You heard on NPR that this guy was importing them and giving one to then President George Bush, and you called up the supplier and you said, "I have got these domains," and he wanted to buy them off you. So, you sold them for how much, plus a ham?

Andrew: Five grand plus a ham.

Michael: Five grand. And so, that was sort of the light went on your head, like here is a product domain name, a niche with a high dollar value.

Andrew: Yeah.

Michael: And you realized that all the other 18 hundred domain names that you bought in the past, or a majority of them, did not fit that sort of model.

Andrew: Absolutely. Absolutely.

Michael: Got you.

Andrew: Yeah, and then I started targeting sort of services, products, and stuff more in that direction.

Michael: So, most people watching this show today can likely scrape together a few hundred dollars or maybe a couple thousand dollars, but there is no way that they would be able to scrape together three hundred thousand dollars. Is it necessary today to be able to buy domains that are person-related, product, service, place-oriented that are decent without tacking on a couple of words before or after the keyword?

Andrew: Yeah. I mean look, you guys, the viewers, can benefit from my three-hundred-thousand-dollar education and not spend that yourself, but yes, I mean you would need to register good domains. Do not go out and register 18 hundred crap domains and think: "Oh, well, I only paid nine dollars." Well, nine dollars times however many crap nine-dollar domains you register, and then you have got renewal fees. So, you are better off, and I tell this to people all the time. Do not go buy twenty crap names.

Okay, let's say that you are going to buy twenty crap names for ten dollars each. Okay, that is two hundred bucks. You are going to hold on to them for five years before you realize that it is crap and you finally let it expire, so that is one thousand dollars. Take that thousand dollars. Go on DN Forum. Go on NameJet. Go on SnapNames. Go on DNX.com and buy a good domain for 250 to one thousand dollars. Something that is meaningful. A product. A service. A place. Something that is up and coming.

Michael: Do you have any examples of stuff off the top of your head that you have recently purchased, Drew, that might be a good example of stuff you could buy two hundred or three hundred bucks that is something that is worth?

Andrew: Yeah, so I mean really these days we are really focused on short domains and two and three letters and four letters, so I do not buy that many names in that price category, but there are some. Let's see. Hold on, let me pull up recent purchases. Okay, yeah, I mean these are brandables, but still I think great values. Like I bought WorldStudios.com and WorldLogic.com for one hundred dollars each, and I would say that those names are. If I put those on DN Forum right now, I am sure I can get somebody to pay me five hundred dollars each. Maybe even one thousand dollars each. I mean WorldStudios.com is a great name. That can be a global corporation. I mean that is a good name. WorldLogic.com a little less, but still a good name. I paid one hundred bucks each.

Michael: So it is not like ActForEnergy or SearchForSun.com, where there is likely only going to be one person around the world thinking about that same thought that you had, whereas WorldStudios, there are a lot of studios around the world. Studios of whatever kind - development studios, production studios, movie studios -, and they are all going to want people to think that they are large and ubiquitous.

Andrew: And then I bought on NameJet. I bought 9G.com - a two-character .ORG. That domain - I do not know when it was registered, but I am sure it is at least 15 years old. It is probably 17 or 18 years old. 9G.org. I paid eight hundred dollars on NameJet, and I mean that is money well spent. Eight hundred bucks on a two-character .ORG.

Michael: But wait, Drew, you are limiting your options by .ORG. You are saying it is not a commercial enterprise. It is probably going to be some not-for-profit entity. And while two characters might be cool, what does 9G mean? Like I do not get it.

Andrew: Okay, I think that if you gave me thirty minutes, I could find you a handful of end users that I could sell that domain to for five grand without blinking an eye. However, a name like that, if I am getting started, I am going to buy that name for eight hundred and ten dollars and in a couple of months I am going to maybe put it on an auction on Sedo. Maybe I am going to run it in a GreatDomains auction. Maybe Domain Fest or Heritage Auctions. And

somebody is going to pay me. Look, I got lucky getting it for eight hundred and ten bucks and I guarantee you, if I put up a 18-hundred-dollar reserve, somebody is going to pay me 18 hundred bucks for it, and that is it. I mean then you double your money, and you just have to do that slowly and gradually build yourself up.

Michael: Yeah. You and I had a conversation about what it means to be a professional. In real estate, you become a realtor and you need to pass a test to do that, but there are no tests that require common sense or leadership, or people skills or negotiation skills. In your opinion, what does it take to be a professional domain name broker?

Andrew: So, yeah, that is one of the questions I think a lot about. There are a lot of people coming into the industry that want to be domain brokers, and I think that is great and I encourage. I value a salesman very high. I think that a good salesman is probably one of the most undervalued skills out there. I think being a professional domain broker, you are representing, or at least we are. We are trying to focus on really high value domains. You are representing a high value asset and, in many cases, you are representing potentially the most valuable asset that somebody might own.

And it could be worth fifty grand or one hundred grand, or it could be multimillions, but aside maybe from their house, which may or may not be mortgaged, and so they do not really own it, this might be the most valuable thing that somebody owns. And I think that you need to have a high degree of tenacity, endurance, patience, and you need to be a natural salesperson. I mean it is. Domains are not liquid assets. You are going to be told no a thousand times before you are going to get your first yes, and it is true and I think it stands true in many industries, but particularly in domains because we are still in the early stages of the Internet.

People still do not understand the value of these domains. They are starting to. Businesses are starting to. Executives are starting to. It is becoming more common, but it is still a learning curve. Every time I make a big sale, there is a degree of education that needs to be given to that person. So, if you are not an expert, if you do not know the ins and the outs of domains, if you do not know how to justify the price of a domain to the person on the other end of

the phone, you are not going to close that deal. And if you cannot close the deal, you probably should not be picking up the phone in the first place.

Michael: So, when you are representing the large companies, like Coca Cola and RetailMeNot, that you are either buying or selling for - most likely probably buying -, I could understand that you are trying to close the deal. You need to be able to explain things in real people terms and explain why the domain is worth that much, and close the deal. But when you are buying something like 9G.org, is being a professional domain name broker or domain name investor also you just have got to churn and burn? You have got to buy stuff at a value and be able to flip it because it requires a lot of those types of sales to all come together with big sales?

Andrew: Yeah, so I think there are a lot of questions in that one statement. So, when you are dealing with those big companies, I mean they want to be able to justify the price. They want numbers. Show me numbers, right? And so, that was sort of how I came about with my sort of the Rosener Equation of valuations. I thought: "Well, there has got to be a way to justify this." And so, analyzing thousands of sales and just through the experience, try to find common denominators. We came up with some factors that go into the valuations and things that were justifiable to these guys to say, "Look, this is going to reduce your marketing budget because of this," or, "This is going to drive more traffic because of this."

So, then to address the second part, which is in terms of volumes of sales to become successful, yes and I did that through goals. So, when I started out, I basically said. So, when I started Media Options. Not when I started out, but when I started a brokerage business, I set out and I said, "Look, I need to make." And it is laughable today, but I said, "I need to make 250 dollars every single day. I do not care what I have to do. I need to make 250 dollars every single day, or I cannot turn the lights out." And I did that, and of course there were some days where you missed and there are some days where you made thousands, but I do not care if I made five thousand yesterday. I still need to make 250 today.

Michael: And you are not looking at the averages, Drew? Like if I just make one 25-hundred-dollar sale in ten days, that will average out. You do not look at averages. You need to execute every day is what you are saying.

Andrew: No, I am looking at it at a micro level. I am looking at literally it is a goal every single day. I think it was Mick Jagger who said, "Who cares about yesterday's news?" I do not care. It does not matter. I could have had a million-dollar sale last week, and some people would rest on their laurels and say, "Look, we are going to Hawaii, and I will take a month off," but I was building a businesses and I wanted to build a business. I wanted to build a successful business. And I knew that if I made 250 dollars every single day that I could keep the lights on, I could continue the business, and I could hope that it would grow. That I would eventually be making more than 250 dollars every day.

And so, sometimes that meant cold calling and selling a domain for a lot cheaper than I thought it was worth just because I needed to make that one sale today. I mean I really hustled. I really got out there and I really hustled. When we were doing the Domain Name Review the other day, I think it was Adam who mentioned that you need to build up your network. You need to make friends, and that is one hundred percent true. There was a handful of guys, really two or three guys that I sort of came up through the business with and we were on Skype every day. We were emailing every day and we were talking about what we bought, what we sold, and these were guys that we were all trying to buy similar-type names and sometimes we were competing and sometimes we were colluding, but we were trying to make it.

And sometimes I would get on the phone with my buddy, Oliver, and I would say, "Look, I need to make my 250 today, man. I have got this name. I know it is worth more. You know it is worth more. Give me five hundred bucks for it." And he would do it, and then a week later he needed a favor and I would buy a name off him. And it works. And to this day, we still do tons of business together at a higher level, but it goes both ways. He needs to raise money. "Well, look, have you got some liquid names? I will buy them from you."

Michael: Yeah. How many people do you have working at Media Options today?

Andrew: Three. Well, four. Four.

Michael: Four. And how many outbound emails and telephone calls do you think originate from your business per day from those four people? If you just had to take a wild guess.

Andrew: Not as many as in the seafood business, but I would guess, if Neil is doing his job and I am doing my job, probably one hundred.

Michael: Per day?

Andrew: I say eighty.

Michael: Eighty per day.

Andrew: Yeah. Okay, so unfortunately I have got so many other issues to deal with in the business, in the day-to-day business these days that I cannot spend my whole day selling and cold calling. And to be honest, those are the parts of business that I enjoy the most. Well, I really like buying names too. I like tracking names through auctions and buying them, and tracking people that are hard to find. I like doing that stuff too. I can't lie. But sales is something I really enjoy, and so I really do. Probably it is like two, ideally three days a week that I dedicate to those are my sales days. I pick a couple names and I spend the day cold calling, sending emails, LinkedIn messages, and whatever it takes. Researching who might be a good buyer and then whatever it takes to get a hold of them.

Michael: All right. Hey, a recent commenter on Domain Sherpa wrote, "I used to have several hundred domains valued at eighty dollars a piece and could not sell most of them, and I did not develop them. I just held them. I now see how I could have done it better. Looks like investing in a small quantity of high demand domains was a better strategy."

Andrew: Absolutely.

Michael: It sounds like you agree with that one hundred percent based on where you started.

Andrew: One hundred percent. Yeah, it is about quality, not quantity. I mean tried and true. Look, I mean we have bought a lot of three-letter .COMs lately, and so I am sort like up to here, but just on DN Forum this week alone, or maybe it was last week, you have maybe really good three-letter .COMs that came on there at below market prices. And I am talking about below wholesale market prices that anybody could have gone on there and bought them. And yeah, it is not a three-hundred-dollar domain. You are going to spend five grand up to twenty grand, but you have immediately got value and profit when you buy that name.

And I said it before. I said it, I think, my last interview with you. You make money in the buy. And finding those deals, being able to get a liquid asset, like MKM.com. I do not know if it is still for sale or not, but it was on there. I think the high offer was like ten grand. I know that that name can sell for eleven grand. I know that it could sell for twelve grand. I know that if you spend an afternoon and you actually cold call fifty people that have MKM in their business, I know you can sell that for 25 grand and I would be shocked if you cannot get fifty.

Michael: Yeah.

Andrew: So, yeah, I know it is a lot of money. It is a lot of money to go out and spend that. Spend five grand, ten grand, or 15 grand, but if you watch the market, if you do your research and you understand what the liquid values of these assets are, then you can be very confident in buying them.

Michael: So, you are saying that it takes money to buy money. I know you receive a lot of emails every single week with crappy domain names like the ones you just told me you registered at the beginning of your career. If you got an email from somebody, Drew, that said, "Hey Drew, I am not buying 50 or 100 domain names at ten bucks a piece or twelve bucks a piece. I am going to spend five or ten thousand to buy this domain name off DN Forum.

What do you think about that," would you actually take the time to reply back to them?

Andrew: Absolutely. Absolutely. I mean I am more interested. I have got to be honest. It is fine to start out with three hundred bucks, but you are going to have a really difficult time. Just flat out honest. If you have only got three hundred bucks to spend, the domain name business is probably not for you. I think you might get lucky, but you are going to have a very, very difficult time, or at least it is going to be a very slow progression for you to build up your equity, to build up your portfolio to a place where it has got significant value that can be multiplied through sales or monetization.

I am much more interested in talking to the guy that has got ten grand or twenty grand to spend and says, "Look, I am serious. This might be all my savings, but I like the domain industry. I see a future here. I want to get into it. I want to invest." I will spend time with that person and say, "Look, I mean these are some opportunities I think are good," and there are a few people I have done this with. There are a few people. I think they both still have full-time jobs, but they are making good money flipping domains. They actually are competing with me now a lot on some, particularly on three-letter .COMs. And so, yes, I am much more interested in helping that person because I think that there is a lot more room.

First off, they have got more money to work with. If you have got three hundred bucks, there is not much I can do with that. But if you have got ten grand, I can point you in the right direction. I can kind of give you an idea of: "Look, this is the way that I would do it." I would take five to seven grand and buy one really good three-letter. Then I would take the rest and I would go on NameJet and I would try and find a few great brandables for a couple hundred bucks each, and then suddenly you have got ten really good brandables and one decent three-letter .COM and now you have got a nice little portfolio, and that portfolio can be worked on. You can focus on one brandable. Spend a couple days emailing end users. Sell it. Make 5x or 10x your money. If you bought it for two hundred bucks, go sell it for five thousand. And if they offer you 25 hundred and you think you have contacted enough people, then take it. 25 hundred bucks. 10x your money and take that 25 hundred and roll it into better names.

But I think Paige always says, "Always elevate." Always be working on increasing the quality of your portfolio. So, I was really addicted to buying domain names for a long time. I am still addicted. At least I have got some control over it. El Presidente holds the pocketbook. But when you are making a purchase decision, ask yourself: "Is this going to increase the value of my portfolio? Is this a better domain than something that I have already got in my portfolio?" That is what you need to ask yourself, especially if you are working with limited resources. If that domain does not better your portfolio - and by better, I mean it is of a higher value than something else in your portfolio of the same category -, then do not buy it. If you have already got similar names, there is no reason. Move on to something else or wait until you have got more money to buy a bigger name, but always be increasing the value of your portfolio.

Michael: Great advice. And if you have additional questions about how Drew started in the domain name industry and how he got out of that initial phase, please post them in the comments section below this video and I will ask Drew to come back and answer as many as he can. He will not do domain name appraisals. Do not post your entire portfolio. I think we have gone over enough about Drew's portfolio to begin with and where he is today and how you could take your funds and really focus them on assets that will improve. Drew, if someone wants to hire you and your team to buy or sell a domain name for themselves or their business, what is the best way they can reach you?

Andrew: The best way is come to MediaOption.com. We have got a live chat with somebody on it, basically during business hours, and we can point you in the right direction. You can email me at [Info@MediaOptions.com](mailto:Info@MediaOptions.com).

Michael: Great. And what is your general qualification for representing a domain name purchaser sale? What prices do you typically spend the time to focus on?

Andrew: Well, at this point we have got a few different dynamics of the business. So, on the sort of lower end stuff - and by lower end, I mean like let's say less than 50 thousand dollars. So, it might be a thousand-dollar

name. We do not really want to deal with domains under one thousand dollars.

Michael: So, if I come to you with a 15-hundred-dollar domain name that we both agree is worth 15 hundred bucks, you would represent me?

Andrew: So, this is what I was going to say. So, between one thousand bucks and fifty grand, let's say, we will solicit that name through our newsletter, which goes out to thousands of qualified, 100% opt-in investors, marketers, and lead gen. These are qualified buyers. In addition to that, we have DNX.com, which we can run your domains through our auction platform.

So, for our brokerage, for me to actually represent your domain name personally and make cold calls and really hustle, personally, I am really only working on names that are over one hundred grand, unless it is what I call a slam dunk. If it is something that I think I could sell quickly, because I have got contacts in the right industry, then I might work on smaller names. But me personally, I am really looking for names that I personally believe I can sell for one hundred grand or more, but some of our other sales team will work on names that are fifty grand plus and, in some cases, 25+.

Michael: Excellent.

Andrew Rosener, Domain Name Investor, Entrepreneur, and Broker. Thank you for coming on the show, talking about the early days of your domain name investing, and thanks for being a Domain Sherpa.

Andrew: It was painful, but I hope everybody learns from it.

Michael: We did. Thank you all for watching. We'll see you next time.

**Watch the full video at:**

<http://www.domainsherpa.com/andrew-rosener-300k-interview/>