

What You Can Learn About Hand Registering Domain Names from the Domain King - With Rick Schwartz

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The past few weeks I have featured a few of the new top-level domains that will be launching soon, giving them a say as to why their extensions will be beneficial for end users and why domain name investors should be aware of them. Today the tables are turned. Today we are going to have a guest that thinks there is little gold to be found in the new top-level domains and, if you are a domain name investor, you should be looking in the existing top-level domain space like .COM because there are still plenty of gold nuggets there, if you know where and how to look. Stay tuned.

I have three short sponsor messages before we get into today's show.

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Here's your program.

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. There is money to be made as a registry and as a registrar of the new top-level domains. Nobody is arguing that point. But if you are a domain name investor who may be considering investing the new TLDs, you may be stepping over dollars to pick up pennies. Today's guest spent a few days looking through existing TLDs and found what he thinks to be are gold nuggets. He is here to walk us through his thought process and how he did it.

Joining us today is Rick Schwartz, the Domain King, Publisher of RicksBlog.com and Founder of the TRAFFIC Conference, taking place this May in Vegas. Rick, welcome back to the show.

Rick Schwartz: Thanks, Michael. Glad to be here.

Michael: It is great to have you here, Rick. As most people know, you are a regular on the Domain Sherpa Review. We regularly review domain names submitted by our audience that you and the panel of Sherpas review on a regular basis. Today is interesting, because you decided to take a different tack to register some yourself and we are going to hear your thought process around that. So, as you and I traded emails last week, you said to me, "I hand-registered over three hundred domains since yesterday, each one by hand. No scripts. I am going to show you how to drill down a vein and find new veins while drilling. I am going to show how a portfolio that has instant value and is meaningful. Most won't agree and I am used to that, but it will prove that there are still plenty of domains and good ones."

So, here is the first question for you, Rick. You have said on the Domain Sherpa Review, I think multiple times in the past, that you typically do not hand-register domain names. Why the sudden urge to do so?

Rick: Well, I do hand-register domain names, usually on current events. I used to go into the mines, so I do not go and do heavy duty drilling anymore.

So, it is more of a Christie's Auction House drilling these days, but that is what I used to do. And when you gave us an assignment from the Domain Sherpa Review that is due in a couple of weeks, I said, "Jeez, now I am going to have to go and actually get my hands dirty again and do what I used to do." And I looked to either mining domains or buying a couple of domains at auction, and this ended up being what I ended up doing.

Michael: Great. And so, Rick, you are referring to the Domain Sherpa Challenge that we have had in the past, where a couple of readers have tried to help out a fellow audience member that had hand-registered some arguably worthless domain names. I do not think anybody on the panel liked them. Maybe one person liked one of the domain names, and then some other people went through their thought process: try and register domain names. I gave the Sherpas a challenge to go register some domain names. We are going to review those in a week on the show, and so that is sort of the groundwork.

The full domain list that you registered, Rick, is below. It begins the domain name LEDRemodel.com and ends with CustomMadeFurCoats.com. When you start mining domain names or when you started mining this list, which I think is 390 domain names, how did you start the process?

Rick: Well, from being so rusty from not doing this so long, I sit in front of my computer for a few minutes at my registrar and I said, "What keyword and what sector? Looking at today's landscape and tomorrow's landscape of how things are going to unfold, what are the couple of items out there that could be interesting and have not been completely strip-mined?" So, the two things that came to my mind were LED lighting, which is very hot right now obviously and people are doing lots of things with it, and the other thing were sensors that could be a way of the future, because everything we know is going to start having sensors in it and it is going to change the way we live.

Michael: So let me hold you right there, Rick. Why do you think that LED lighting and sensors are hot? Like what is it in your regular, daily life that makes you come in contact with those two types of technology that makes you think that those are hot and growing in the future?

Rick: Well, a couple of weeks ago, the regular lightbulbs - the Edison lightbulbs are gone. They are off the market. They are going away and you are never going to see them again, and they were energy suckers. I mean I have retrofitted most of my house with LED bulbs, which was expensive to buy the bulbs because, at this point, they are not cheap yet because they have not been as mass produced, but it is coming, and my electric bills are just going down. I mean it really is phenomenal the savings. It is one-tenth, and I have several hundred lights in here. So, I mean it is a significant savings and I go around at night sometimes and whole buildings are doing their buildings now with LED. There are all kinds of things people can do with LED lighting, so it is a hot sector.

Michael: Yeah. I remember a year and a half ago, at the TRAFFIC Conference in Florida, I was interviewing Adam Dicker on stage and one of the suggestions that he gave was go to this website. You can buy LEDs for like forty bucks a pop that are usually like two hundred dollars in the regular Ace Hardware or Home Depot, or something like that, and it was a great opportunity at the time. I am sure it still is today.

Rick: Well, they came down to twenty and now they are about down to ten. Between ten and twenty, and eventually they just keep going down the more they produce of them and the more applications that they find for them, just like anything else, and that is what is happening. But it is a very interesting sector, so someone needs to make money out there. That is a good sector.

Michael: And then what about sensors? What about sensors makes you think that today and tomorrow the landscape will continue to be on a trajectory where sensors are important?

Rick: Well, I am not going to get Sensors.com, so that is not going to happen. Well, there are going to be sensors in your refrigerator, in your dishwasher, in your front door, and basically everything that you own is going to have a sensor in it and you are going to control it from your iPhone or your smartphone or whatever, or from anywhere, and it is coming. I mean everything. To every little item that you could imagine. So, I just started thinking that is how it starts.

When I start drilling, again get my mining cap on. So, I know there is not going to be Sensors, so what I do now is I am looking for boundaries. I am looking to see how far that vein has been mined. If I go and I start doing, oh, something with airfares or travel, there is very little around because it has been mined for so many years. So, you just have to kind of find the boundaries, so you almost think of something that is kind of stupid and put it. And if the stupid ones are registered, then forget about it. It is gone.

Michael: So, what would be a stupid one around sensors, for example?

Rick: Oh, probably just some three-word Sensors that is just bad that you know instinctively is bad.

Michael: Yeah.

Rick: So, here is what happened. So, the first two on my list are LEDRemodel and LEDRefitters. But then I looked at the domain names after I registered them and I said, "Look, people are not going to know if it is LED because I cannot put the dots between the L, E, and D," and I said, "No." See, that would probably be a better domain name actually with a dash perhaps, because it would be much easier maybe to identify then what it is. So, I kind of went off of that right away and that is when I went to the sensors, and so I did a few. I typed in a few and they were gone.

And then I said, "Well, there is going to be a market for people that want sensors and may need to design," so that is when I came up with DesignSensors. And then do not ask me where gTLD dropped here.

Michael: You are thinking somebody is going to drop all those gTLDs as soon as they come out, and you want to have a service that picks them up.

Rick: But this is how my mind is going. I cannot control it. And what will be interesting is we go through the list, because you will see the different veins that I kind of hit upon and I still have a chance to go mine even after the show. So, anyway. Then I started playing around, and I still really have no rhyme or reason at this point. BestSolutions I look up. The only one available

that was a decent extension was .ME. Okay, if I put BestSolutions.me and I put it on a shingle, people can figure out what that means.

Michael: Well, what does that mean? What is a best solution?

Rick: Just a guy that is solution oriented. If you solve problems, a problem solver. So that is where that came from. Again, I have got my training wheels right on right now. I have not been on a horse in a long time. Anyway. Then I came up with WallUnitKing. That I kind of liked. And people will say, "Well, what is a brandable?" That is a brandable. Nice, and you do not have to make it up to be a brandable. That becomes a brandable. WallUnitKing. So, not that great, but it is a brandable. And I had to have something for the (Unclear 12:13.9) 28th or 29th, or I was going to look really bad. I had to come up with something.

I am having a platform made upstairs, so well, PlatformMakers popped up in my head, so I grabbed that. Then I hit the keyword reputation.

Michael: How did you move from like home solutions to reputation - DoctorReputationCheck?

Rick: I have no clue. I was just searching for another keyword. A hot topic of something online that maybe something was out there. So, I decided: "Well, let me see if there is anything available in the reputation market at all." So, without dashes, probably not.

Michael: Yeah.

Rick: So, then I just said, "Well, I could get a couple with a dash." So, I got .REPUTATION, .DOCTOR, .CHECK, and .STATION. And again, brandable. Reputation.Station is a brandable. The other two are generics.

Michael: Right, and I think Reputation.Doctor and Reputation.Check. Reputation.Check might be more brandable. Well, I think they are all brandable actually, but it has the hyphen, Rick. Most people would say that hyphens are worthless in America.

Rick: Well, with the second coming, I think the hyphens are worth a second look. How is that?

Michael: Well, they are worth a second look, but what if I say that I am hesitant to build a business on Reputation-Doctor.com because I do not own ReputationDoctor and that person wants ten thousand dollars, and the whole thing is not worth my time?

Rick: Is it better than ReputationDoctor.biz or ReputationDoctor.horse? I mean listen, of one thousand gTLDs, eight or nine hundred you are going to be able to disqualify because it will not be anything meaningful in this string. Maybe nine hundred. Maybe 950. So you have to ask yourself, "Which ones would at least lend itself?" So, guess what. I am still leased on the .COM train even with the dash. And like we have discussed on Domain Sherpa, I do have dashed domains because they look really good in ads. They look really good on billboards. And just like they are looking at five or ten years down the road, so am I.

Michael: Do you ever get inquiries on those dashed domain names?

Rick: Very few, but probably more than what I get on my other extensions. And again, it is a balancing act, and I think that is what this whole thing is going to be about; is a balancing act. Do you go with the .COM and be onboard with a trillion dollars being spent all the time or do you veer of and see if it can fly? And which one is more risky and which one is not? I do not have all the answers. I just get up every morning with questions, trying to sort out and figure it out.

Michael: Okay.

Rick: Then I am just thinking around. Okay, selfie. That was kind of fun. So, I spelled it wrong obviously, but Selfie.biz was the only extension that was available. All the others were taken. So, I said, "Okay, what the hell? I will get the .BIZ," but see, that is what it shows to people. I did not go after a .BIZ. It was just a consolation prize. It was just hey, maybe I can be in the club somewhere at some point maybe, though it has never happened yet. It has never happened yet, but I still dream just like a lot of people dream.

Michael: Everybody has dreams. But Rick, we get people that submit domain names to us every single week on the Domain Sherpa Review, and they are just like this one. Selfie.biz. It is an alternate domain name. It is a joke of an extension in some people's opinion.

Rick: It is horrible, but I had to explain when you would get off at an exit like that. Listen, if a keyword is selfie and it is spelled right, and every extension in the world is taken and there is one left, guess what. What the hell? I mean for eight bucks. I knew everyone was going to make fun of me when I did it. You have to understand it is not like it is: "Oh boy, Selfie.biz is available. I am so excited! I cannot wait to tell the world!" No, I just wanted to show people how my mind would work. If I was going to go into an alternate extension, why would I do that? And that is because it was so crowded and there was so much hubbub about it that made me. Somewhere along, you can find some lemons that would fall in your direction, and that is it. That is it.

Michael: I understand. But what is the decision in Rick Schwartz's mind between hey, here is a mega popular word spelled incorrectly in a less-than-desirable extension?

Rick: Well, I did not know I misspelled it at first.

Michael: Well, that was one of my questions. And how do you decide whether to just evaluate it and say, "Okay, I am going to walk away from that one," versus actually spending your eight dollars or eighty dollars? As you often say, "I am going to buy a domain. I am going to hold it for ten years to see if anybody nibbles and bites it."

Rick: Okay. Well, that is because when I am down in the mine, I am not that selective and the eight bucks does not mean anything. I will get rid of it next year. I will just plug it in for a few days and see if anything happens. If there is a spark, probably not obviously, but when I am in the mine, I am not sorting things out. I mean I looked. There are keys. It is this. I am just throwing it in the wheel barrel. And then, when I get up, I will say, "Okay, some of these were pretty bad. Some of these are better than others," and then I sort through them. But I am to going to take the time down in the mines

really, because if you take the time to do that down in the mines, you will end up losing domains because someone else is right behind you a lot of times, grabbing them.

Michael: All right, so that was going to be my question. Why not just put them in your cart and sleep on them, and then come back and look at them the next day versus buying them right then? Because I know a lot of times, I will think about it and I will come back the next day and say, "Yeah, I think that is worth it. I will buy it."

Rick: I am just impatient. I am just impatient. Whenever there is like ten, twenty, or thirty domains in the cart, I click okay. Let me pay for those, especially if I think I have a good one in there. I do not want to leave it in the cart. I do not trust the cart. I want to pay for the damn thing and I want to receipt that say it is paid and I own it. That is why.

Michael: Okay. All right. So, to each their own. I am not saying, to the audience, do what Rick Schwartz does. I am just asking the questions. They can understand your thinking, Rick, which is perfectly valid.

Rick: Exactly, and that is what I am trying to show. I am not telling anyone to do what I do.

Michael: Right.

Rick: I am just showing you how a crazy, insane mine works.

Michael: All right. So, from Selfie, then your thought process changed again.

Rick: Right, because I am sitting there. It was like okay, this is crap. I had to reduce myself to register a .BIZ, and so then I just started. Again, I am searching for that keyword before the .COM that I can describe with all kinds of different variables. So, then I come out with RepairMan. Well, that is pretty well gone, but I was lucky enough to find out SystemsRepairMan and SystemRepairMan. Okay, not bad. And then MedicalRepairMan, which is a cute way to say a doctor. So that is how I got to those.

So then I kept going. Then I got PanelsForSale.com. Solar panels, or whatever. Okay, I kind of like that one. I could do a little bit with that. I got to ElectMe.us, because, again, I wanted to throw some other variables in there other than a .COM to show where a .US could have some value. So, again, if it is put with the right thing, it can have value. So, when you marry ElectMe.us, not a great domain name really, but it can have a value. ElectMe.info and I still do not have my sea legs yet.

But then we finally start getting a little bit closer and I get to the sensors again. So, first I get to sensor. I get a lousy one with a dash. Then I get to SensorGator.com. Okay, if I can have a generic sensor, I want to get into the table of sensors. If I want to be in the sensor business, guess what. I can come up with a brandable. SensorGator. Okay, now I have a brandable, fairly generic domain that I can go into business with, and then I have got the reverse, which was GatorSensor, just to cover my ass. Then I thought I got a better one. SensorGiant. Okay, now I am the supermarket of sensors out there. So, if I ever want to get into the sensor business, now I can be the supermarket basically of sensors. I am the Sensor Giant. Again, very brandable.

Okay. Then I start coming with these sensors and retro, and I am still floundering around. And then I come to CustomMadeSensors. Aha, got something. I have HomeMade.com, but I do not have any variables of homemade nouns and verbs before it, because homemade is kind of a low-ticket item. But custom made, jeez, that is interesting. So, I get to CustomMadeSensors. That could be an interesting market. I mean you go to the Orient. Go to Asia, because you need a custom made sensor. Boy, that could be a huge, huge contract. Man, that could be some big money.

Okay, so now I am into custom made, so I come to CustomMadePlugin. I do not even know why. CustomMadeWigs. Well, of course those are going to be gone. CustomMadeSuitMaker. The custom made suits. Custom made shoes. They are really good generics. They are all gone. Okay, but I want a seat at the table. Okay? That is all I do when I am looking at business. All I want is a seat at the table. So, there is nothing available, but you know what? If I have a domain that says CustomMadeShirts.me and that is my business, and I give that to someone on my business card, they know exactly what I do. There is

no question about it. It is easy and the .ME is getting branded, like some of the others could.

This is a natural branding. That is why .ME was attractive, because we are all so self-centered. So, anyway. It was a consolation prize, but it is a consolation prize that if I had nothing else to do in life, I could go make a living. I could open up a shirt-making business and I am in business. Not the best one, but anyway. So, then it is like okay, how deep do I have to dig before I start finding some decent custom made blank .COM that have value that may have an audience? And okay, so my mind starts going. So, the first one I think I got - well, I got CustomSuitMaker.com. Okay, not quite as good as CustomMadeSuits or CustomSuits, but CustomSuitMaker is a domain someone can live with. And then, again, I went through some .MEs because I really do like some of the .MEs if it says something that is a business. And it is either very personal with a .ME or it is a business or it is a verb and action. Those are the three categories for me for .ME.

Okay. So, then I started thinking. Okay, what kinds of things can be custom made? And again, you will see at the beginning I am not really good at it. I am flailing away, looking for something. Briefcases. Phone cases. Stages. Staging. Roof. But those really are not custom made things, but I am trying. I am digging. Okay, so then I start. Let me find one that is pretty decent for custom made. Maybe CustomMadeGrill is getting a little bit better. Then I got a little dreary with CustomMadeCasket and CustomMadeGraves, but there could be a market for that. CustomMadeLures. Okay, that is kind of interesting. That became closer to something that there could be a business behind.

And listen, I agree a lot of them are garbage, but this is, again, I am digging. I am not evaluating. I am digging right now.

Michael: How does your mind get on the custom made thought process and then go from tent to medicine to daycare to men, women, and podcasts?

Rick: Because that is the single variable. The constant is .COM and the constant is custom made. So, then fill in the blank.

Michael: Right, but how do you choose those blanks? How do you know what are more valuable words and what are less valuable words?

Rick: I got out a phonebook! I got out a phonebook. I looked around the room. Everything I looked out. I had a fan. Okay, CustomMadeFans I think is one of the ones in here. I started looking at magazine ads. I started just looking outside, and I was trying to visualize what in the world would people want or could have custom made, and maybe things that they could not have custom made before, but we have 3D printing now.

Michael: Right.

Rick: There are all kinds of things that are going to happen that are going to allow custom made items to be almost like being on the shelf.

Michael: So, on that 3D printing, was the 3D printing the thought process you went through from CustomMadeDentures to CustomMadeBoobs to CustomMadeBreasts?

Rick: Sure. Sure. Sure. CustomMadeDishes. Here, CustomMadeToupees. Okay, now we are starting to get in there. Okay, CustomMadeToupee. Now we are starting to zero in on something. A toupee can run thousands of dollars. They are custom made. And I mean for a search, you would say custom made toupees, or you may just do toupees or whatever, but you are there. You are on the realm. And again, if you give someone. Everything I do, if I give someone a business card and it says Rick Schwartz, CustomMadeToupees.com, they have no questions. I mean it is clear. This is what I do for a living. I mean I am not trying to be subliminal. I am trying to be clear.

Michael: Hey Rick, let me ask you. If you were actually starting a toupee business and you had the opportunity to hand register CustomMadeToupees.com or go buy Toupees.com for five figures from let's say it is a domain investor that owns it right now and you were able to negotiate it for a low five figures, which would you do as a business owner?

Rick: I would get both, first of all, and I would definitely get the five figures for the Toupees.com. Absolutely. A category-killer domain; not even a question. It is not even a question. If you can get a category-killer domain on an item that we are talking thousands of dollars each, grab it.

Michael: Yeah. And if you cannot get it, then you have to look at either toupees in an alternate extension or go multiple words like CustomMadeToupees.com.

Rick: Exactly.

Michael: Okay.

Rick: And in my mind of thinking, the minute you get into the alternate is when you get in trouble and your advertising dollars start costing more than what you are spending because you are losing.

Michael: Yeah.

Rick: Okay, so then I started CustomMadeKnobs. Mitts. Seating. CustomMadeSeating. All of a sudden, okay, your restaurants. Contract seating. So, that opens a whole big door. And again, I am looking at it. When I made this list, I had to do something different when I made this list that I have never done before. A lot of the list I made is like if a guy bought this list today and he decided: "Okay, for the next year, I am just going to go and try to sell this list to end users," could he make a couple of grand a week? And my answer is yes.

Okay, so that was one of the ways I was coming at it to show someone look, instead of registering some of the things that make no sense at all, you may not like what I did here. They may not be the best domains in the world, but they are meaningful and they could be very meaningful and very valuable to the right client. And there is enough people in each of these industries that probably do that type of work that, if contacted, would pay X amount of dollars, and they do not have to be high-ticket.

Michael: You think that somebody could take this list and make a couple grand, reaching out to end users and/or small business to buy the custom made domain names.

Rick: I think a really good guy would make easily six figures in one year if he really applied himself, knew what he was doing, and was aggressive in the right manner. Absolutely. One of these domains alone could be worth five or six figures. Again, it is not anything that we perceive. It is how they perceive. It is how important it is to their business. It is a little bit backwards, because so many people are geared to selling to domainers.

Michael: Right.

Rick: I never look at it, selling to another domainer. I am only looking at it, selling to an end user or utilizing it myself as an end user. Those are the only two ways to look at it.

Michael: Yeah. All right. And I cannot remember. How did you get on the custom made thought process to begin with?

Rick: With the sensors.

Michael: Oh, custom made sensors.

Rick: And then it is like well, wait a second. There are all kinds. Instead of just getting sensors, which was one thing. Okay, I had a few domains for sensors. Now how many different items in the world can be custom made?

Michael: Right.

Rick: And that was it. Obviously the obvious ones are taken. They are gone. But not every one is obvious, and here, I got a great one. CustomMadeWheels. I was surprised that was available. CustomMadeWheels, to me, is a great domain name. Is CustomWheels better? Yes, it is, but I do not have it. This is 2014 and that is not bad. CustomMadeWheels.com. Again, if you advertise it, you put it on a billboard, you tell anyone on your business card, everyone knows what you

do, and wheels are very expensive. They are thousands and thousands of dollars.

Michael: Well, and people spend a lot of money on their cars. Money that they are not ever expecting to get back out to personalize their automobile, and a lot of people want custom rims or wheels, or whatever you call them nowadays. Yeah.

Rick: So, when I register a domain name, I ask myself: "If this is the only domain name I have." Now, again, a lot of these are not going to fit in this question and a year from now I will drop them. But if this was the only domain name that I had, could I go out there and make a living with it? To me that is the top of the pyramid. That is what tells. That means if I can do it, many other people could do it all over the world.

Michael: Yeah, but the problem that I have with that, Rick, is that if I am a good businessman, I can make a living off of any domain name, even if it is a crappy domain name or a .INFO, which you do not see anybody using on billboards or in advertisement.

Rick: Well, not really. I mean if I open up CustomWheels.com and I throw ten different wheels out there that I have made with prices and (Unclear 33:27.9), I am in business. No nonsense. I am not putting in AdWords and all the crap up, and trying to fake out Google to get a search engine listing. No, I have got something real. I am going to get a search engine listing from Google because I did it right. Not because I faked them out. That is the whole point. And I do not care about the search engine listing. I care about giving Google five dollars or ten dollars or two dollars for every lead that they give me that I am going to turn into a two-thousand-dollar sale, and I am going to be buying as much as I can.

That is the formula for success on the Internet.

Michael: Well, it is a formula.

Rick: It is a formula. Well, listen; from my background, I guess, and the way I view the world, as selling either a good product or service that is how I look at it.

Michael: So, is CustomMadeRoofs.com better than Roofs-USA.com?

Rick: I think it would depend on your business, to be honest with you. I mean I do not know that either of them would be the best. Look, it was not like you told me to go into the mine and said, "Rick, get the best roofs domain name." Okay, that was not what I was doing. I just grabbed a roof domain because now I am in the roofing business. I want to be in every single business in the phonebook. Really, I swear to you. Every profitable, viable business in the phonebook. I want to have a foothold in it if I ever desire to go into that business. That is really what I want.

Michael: Okay. So you went roofs. You went silk flowers. You went marble and granite. So, I am seeing you go through the phonebook and look for the high-priced, high-value, highly desirable items in the phonebook.

Rick: And I did not get many out of the phonebook, because I already mined it pretty well, but then I got to golf balls. CustomMadeGolfBalls. I thought that was really a cool thing, and some other golf-related items. Again, these are things in my mind that are easily marketable and then, of course, it was about getting to something that is high priced. And if you look, I think my very last ones are fur coats. Okay, so I finally figured it out. Wow, wait a second. I want to go really high ticket. So, CustomMadeMinks. CustomMadeFurCoats. I mean now we are talking five, ten, twenty, and thirty-thousand-dollar deals, and that is what I like.

I like high ticket and the bigger the market, to me, the better it is. Not that fur coats and minks are huge markets, but I think I even tried to get faux furs, but I think it was taken.

Michael: All right. So, how much time did you spend registering these 390 domains, Rick?

Rick: Less than eight hours.

Michael: Less than eight hours, spread out over two days?

Rick: I think two or three days. I think I hit it the first day like twenty minutes. Actually, hold on; I think I have it written down on one of these pages. How long I spent. Give me a second. Okay, first time I went down to the mines for 43 minutes. Then I went down for 70 minutes. So, on the first day I spent 1295 dollars on whatever I registered, and then the second day is when I started getting a little bit more clarity and I was able to sleep on it and start thinking. Okay, now that I have a vein and I have calm down a little bit, I was like: "Okay, let me start figuring out which ones are the ones to start focusing on."

And so, the second day I spent three hours and I registered 1313 dollars' worth of domains, and I must have registered as many as I did the first day in the three hours.

Michael: So you spent about 26 hundred dollars on domain names in the two days based on starting on a certain step, migrating through the thought process, and then just focusing and deep-diving on custom made.

Rick: Right, and I have never done this before. I did this specifically for your show, because usually when I drill, I will drill down a little bit, which means I may get ten, twenty, 35, or whatever of custom made whatever. But on this one, I decided I was going to go really deep because there were just so many things that I thought were custom made and no one really ever went down this, and I was kind of surprised. I was surprised.

Michael: Sometimes when I go and I look at domain names that maybe are on a broker's list that nobody has put in any bids on or it is up for auction and I do not see anybody else watching it or bidding on it, I wonder to myself: "Am I on to something or are these just so not very valuable that nobody else wanted them?" How do you personally determine that custom made keyword .COM is valuable versus other people probably looked at it and determined they are not valuable?

Rick: I am sure most of the viewers are going to say Rick lost his marbles. These are worthless. These are garbage. I do not see the world like that. I am sorry. I understand the audience, I think, and I think there are plenty of end users for these. Are these million-dollar domain names? No. Are they 500-thousand-dollar domain names? No. Are they thousand-dollar domain names? All day long. So, a guy that is aggressive, honest to God, a guy literally can make six figures if he was aggressive and sharp and knows what he is doing, selling those names in one year. There is no question.

Michael: Yeah.

Rick: Am I going to waste my time doing that? No, but I know there is enough hungry guys out there that would. And you know what? Their portfolios probably are not that strong to begin with. This is a stronger list. They may be happier with this list going to market than selling some of the things that you are talking about that no one is bidding on. And it does not mean anyone is going to bid on this too. The market comes. You have to get in front of the market.

Michael: Yeah. You have stated multiple times on either previous Domain Sherpa Shows or the Domain Sherpa Review, Rick, that you like a ten-time return on your investment. Meaning that if you spend one thousand dollars, you want to sell a domain name for at least ten thousand dollars. And if you buy it for one thousand, and you can only sell it for two thousand or three thousand, it might not be enough. A lot of domain investors feel the same way. So, if you are buying domain names for let's call it ten dollars, hand registration, do you expect to sell it for one hundred dollars or one thousand dollars?

Rick: I would not waste my time selling them for one hundred dollars. My time is more valuable than that. So, I mean I do not even know that I would waste my time selling them for one thousand. On the other hand, there are enough viewers out there that absolutely would and could. So, I am just showing the path that I use and for whatever it is worth. Like I said, a lot of people are going to dismiss it.

Michael: So you believe that these are thousand-dollar domain names all day long based on the fact that each of the niches - blinds, or roofs, or whatever - probably has somebody in the industry someplace around the world that is interested in the custom made type of domain name.

Rick: Yeah. Obviously you have to go through here and scratch off the ones that the market is not there or it just does not work. Like I said, I get the wheel barrel filled and then I sort through it like we are doing right now basically. But the ones that do have value - CustomMadeWardrobes and CustomMadeCloset - are obvious. People do this for a living all over the country and all over the world. So, now it is just letting them know it is available. And everyone thinks differently, but there are enough people that think certain ways, and that is your market.

Michael: Yeah. So, I know you are not a fan of different automated tools. I do not think you have mentioned yet that you have used an automated tool. In fact, you said you do not use script. But do you look at search volume? Do you look at any programs that give you an idea of how many times users - people who are searching for a product or service - are typing in 'custom made' into search engines?

Rick: Well, I did, because I own Homemade, as I said before. And I did look up custom made, and it was interesting. It came up with a dash. When you look up and Google 'custom made', it comes up custom-made, which is interesting. And we can argue about if custom made is one word or two words. Is homemade one word or two words? So, if homemade is one word, custom made - I guess you could arguably say is also one word. And then I looked up custom. And what was interesting was there were more searches for custom made than there is for custom, even though custom obviously is shorter, it is harder to get, and most were registered, though I did get a couple of them that were custom whatever, and I did not even look them all up.

Because once I was on the custom made wagon, I mean I would randomly select a few custom whatever, but they were mostly registered. So, I did not get off track too much, but I did get. I do not know which one, but I think I got two or three custom whatever .COMs.

Michael: So it sounds like your data gathering process was to just go to Google and type in the keywords and see how many search results were returned. Not necessarily going to the Google AdWords Keyword Tool and looking at how many searches were performed monthly.

Rick: No, right, not searches for each one. I would not do that. I mean I will look. I will see if there is any action. I will see if there are any ads. I will randomly - of the three hundred, I may go and type in 'custom made golf balls' and see what is going on there. That type of thing, but I will just sprinkle through just to make sure that I am between the lanes, so to speak, so I do not get too far off like I was at the beginning.

Michael: Yeah, definitely. So, now that you have registered these 390, you have stated yourself some are winners and some are losers. What is your process going forward with these, Rick? How do you determine more than just two days after you registered them or three days after you registered them whether you are going to keep them year after year?

Rick: Well, the first thing I will do is I will monitor. They are hooked up on parking right now. I will monitor to see if any of them start receiving any traffic whatsoever, if there is any natural traffic there. And when I buy mainstream domains, a lot of them do not have traffic at the beginning. Matter of fact, at the very beginning, there was zero. None of them at all. When it came to a mainstream domain, none had any traffic. There was no such thing as mainstream traffic. So, I had to be able to figure out where is the water going to go when the tide comes in.

Michael: Yeah, as a side note, I am always amazed. It is easy for new investors coming in today to say, "Oh, if I was only in Rick's position. I bought whatever single-word .COM back in 1990s." Of course it has value, but yeah, you stated yourself it did not have any type-in traffic back then. Nobody was going to it. So, it is just like registering a domain name today. And ten years from now, that typed-in domain name may have traffic or it may be worthless.

Rick: Right. Right. And I could not buy it for the moment. I would take a gun to my head. It was like okay, I am buying these. It will take X amount of

years for this snowball to develop, at that time. And not every one of them gets traffic, but quite a few of them do and they grow. The traffic grows.

Michael: Yeah. So, you registered these 390 and then you go into the user interface at your registrar and you select all of them and you say point these domain names at this parking company, right?

Rick: Exactly, that is it.

Michael: And you change the name server, so you put in Name Server 1 - NS1.ParkingCompany.com, NS2.ParkingCompany.com. What parking company do you typically use, Rick?

Rick: Well, I use either Frank's Internet Traffic or I use Voodoo. Those are basically the two services I use. On this one I used Voodoo, and I put a message on top that says, "This great domain may be available for joint venture or lease. Click here." So, that way, when the end user, when the guy that is actually making one of these custom made whatever. He is coming at some point; and when he comes, he would be clicking up there.

Michael: How do you decide whether you put the domain names at Voodoo or at Internet Traffic?

Rick: Well, I alternate sometimes. I test. Certain ones are just better geared with one than the other.

Michael: But like these right now. These that you just registered this past weekend. How did you decide to put them at Voodoo rather than Internet Traffic?

Rick: Well, I think the Internet Traffic Platform I kind of reserve for my key domains and the Voodoo - I have a number of key domains there also, but it is where when I register a domain, that is the default. It goes to Voodoo. And if I see there is activity, then I can start playing around and seeing if there is a better way to monetize it.

Michael: Got you. And after you point all the name servers to Voodoo - I have never used the system -, is it like Internet Traffic where you then have to sign into your account and paste in a list of domain names so that they can assign them to your account?

Rick: Yeah, basically the same.

Michael: Okay. And the one problem that I have on parking that I want to ask you about Voodoo. At Internet Traffic, I have to paste in the domain names. Then I have to wait a few hours to a couple of days for them to approve it, and they go look at the WhoIS and make sure that I am actually the registrant of the domain name. Then they add it to my account and then I have to go back in and reclassify it. Do you have to do that as Voodoo as well?

Rick: No, or if I do, I am not.

Michael: All right. So, you are parking it, which allows you to make some revenue. It allows you to track how many unique visitors are coming in, in any given period of time, but then it also allows you to easily put at the top: "It is for sale or partnership. Contact me," and then contact information.

Rick: I never have any domain name anywhere on the Internet for sale.

Michael: Oh, okay.

Rick: Available for joint venture or lease, I believe, is the way I have it.

Michael: Okay, and why do you do that?

Rick: Because I am not looking to sell. I would rather rent.

Michael: Okay. And when one year comes up and those domain names are up for renewal, or eleven months from now when those domain names are up for renewal, and you go back in to Voodoo and you look at your stats for those 390 domains, how are you going to determine whether those domains are worth renewing or not?

Rick: Well, I will quickly look through the stats to see if there is any action. I do not expect there to be much. But then what I will do is I will just go. It will not really be related to that because I will just go through each domain name and I will say, "Okay, that one is not worth holding." Again, I sort through them after the first year and that is my process. And it is not the process that I would recommend for most people, because I am pissing away probably a thousand dollars here on some of these garbage, but again, I am pretty rusty and I have not done it in a long time, and I am sure if I do it the second time that I will be a little bit more selective. But I am happy that I have some domains here that I think have some really good potential and really good value.

Michael: So, if you are the domain king and you make seven-figure sales, I think you have made a seven-figure sale every year for the past how many years?

Rick: Well, I have four of them, so I am up to four. I am sure people have more. They just have not made them public.

Michael: Right. No, no, no, I know. And if you, the domain king, cannot sit down and register a bunch of gems that you have to sort of go mining and you register some gems with some dirt, and then you need to sift through it and deal with that a year later, is it fair to say that that is a process that new investors should go through as well? What can new investors learn from this process, Rick?

Rick: Well, like I said, they could be a little bit more selective than I was, but it is just a great vein as far as I am concerned. Like I say, I think a lot of your viewers, or the majority, are just not going to agree, but it does not matter. They see the world their way. I have my own view of the world. It has worked really well for me, so I am not going to change it. And unless they are enjoying the fortunes that I am, I am just showing a guy. The people that are telling me this crap that you cannot go hand register domains anymore. I just want to prove it is nonsense. Like I said, they are not always the best, but they are better.

I mean we have been reviewing portfolios now for a few months. And you know what? They are better than most of the garbage. They are not great, but they mean something. Every show that is all I keep preaching; is that they have to mean something that if they stand alone because you make a living on it, and these pass the test for me.

Michael: Yeah. All right, let me ask you a couple of logistical questions, Rick. I know a lot of people that are new to the industry are always trying to figure out how to save a few bucks here, but still get all the benefits. Where do you register your domain names typically?

Rick: I use Directnic.

Michael: Why do you use Directnic over, say, GoDaddy - the number one largest registrar in the world - or 1and1, or some of the others?

Rick: Well, first of all, I mean I have an account at GoDaddy as well. I have an account at Moniker. Probably a couple of others. I have been using Directnic since I had left Moniker. And you know what? During Katrina, them guys did everything. I mean you have got to give them a hats off. They risked their lives. Honest to God, this is no bullshit. They absolutely risked their lives, staying there, making sure their servers and their whole company did not fall apart and come down. And I will never forget that. I mean they literally risked their lives. Everyone else was gone. They were there. They are there, man. Look, their registrar is there to do one goddamn thing, and that is to protect your assets.

I do not care about any up-sells. I do not care about privacy. I do not care about this. They are there to protect my assets. And you know what? That is exactly what they did, and I have the utmost respect for them. That is the bottom line.

Michael: Nice. People often wonder if they are paying too much for their hand-registered domain names. They go in search of coupons to reduce the price to five dollars or four dollars. They hold up their 99-cent coupon as sort of a badge of honor that they were able to get a domain name for one dollar. How much do you pay for your domain names at Directnic?

Rick: Well, I do not want to tell them the deal I have. I mean I obviously have an aggressive price and that is that. I do not get them for 99 cents. I am not a coupon hunter. So, these guys are getting much better prices than me. So, if you are getting much better prices than me, then you should be able to grab these for a lot less than what I paid.

Michael: Yeah, all right. As just another data point, I pay \$8.47 for a .COM domain name at GoDaddy through their Domain Discount Club, so I pay basically \$7.50 per month to get access to what I consider fair pricing without ever having to go search for a coupon code, or try them, or waste my time and the frustrations, and all that sort of stuff.

Rick: Right.

Michael: So there is another data point for people. All right, Rick, I think we have gone through everything that we can. I think my final question for you is going to be this. I read on your blog and you write, "I see six-figure domain names that I would not consider buying. I see thousand-dollar domain names with six-figure values. Our eyes all see different things based on our life experience." You have the capital. You have great domain names that you have registered back in the 1990s and you have a vision - back then and today. It is clear. For those of us without the domains, without the capital, and maybe we are still trying to figure out what our vision is, who want to make a living at domain name investing like you have done, what final advice do you have for them, Rick?

Rick: The same thing I have been saying for eighteen years. Your first domain purchases are your first important. And you know what? If it has not been working out for you so far, you can get up tomorrow morning and make believe you are starting all over again and it is your first domain purchase, because if you can create a revenue engine from your first domain purchases, that gives you the wind on your back. That is why I say, at least with a list like this. Okay, so for 26 hundred dollars invested, I bought a year. You mean I cannot make 26 hundred dollars in the next year with these domains? Really, even some of the crummy ones? Really?

I mean I would just be incensed. There are guys out there that would easily do that daily with some of these, and more, because they do have that value. I do not want to get into numbers because then I start an argument with all kinds of other people, which I have enough arguments with people. I just see something of value, I went into the mines, and I dug and they were there. And again, they mean something. They are not cryptic. They are not too long. I would rather have something. Look at the commercials on TV. These are fortune five hundred companies and they are using three, four, and five-letter words, so do not discount anything. It has to mean something and memorable.

Michael: All right, great advice. If you have additional questions, please post them in the comments section below the video and I will ask Rick to come back and answer as many as he can. If he cannot, we will bring it on the Domain Sherpa Review and we will discuss it. This is the point where I ask people also to say thank you to Rick. You can post a note on Twitter. We will have a link right below the video where you can click on that and say thanks to Rick, or post a comment. I do ask people to be respectful in their comments. You may take a different viewpoint to Rick. I have brought up some devil's advocate questions here. I ask you to be respectful. People that come on the show are like coming over to my house and I would never invite other people over and allow them to ask rude or inappropriate questions.

So, it is okay to have a different viewpoint. I ask you to be respectful, but I do ask you to post a comment below and thank Rick for his time. I know I have learned a lot just getting into the mind of Rick and being able to walk through the process. And everybody has different financial goals and capital assets at their disposal, but this glimpse into your process, Rick, was very useful. I appreciate that.

Rick: Thank you, Michael. I appreciate it.

Michael: Another thing you can do. Buy a ticket to TRAFFIC. May 28th through 31st in Vegas. I am going to be there. Rick is going to be there. I know Adam Dicker is going to be there. A lot of other Sherpas are going to be there. It is going to be a great event. Anything that you want to talk about, about upcoming TRAFFIC, Rick?

Rick: No, we are already working and planning on it, and we will have some interesting surprises. We take the fight out there. Look, we are having a frank discussion with the industry and I think people are enjoying it, and some people of course are getting a little frustrated with it. Look, when you are looking for answers, you have to ask questions. And the minute you stop asking questions, it is a dead horse.

Michael: And you need to think about the answers too, and think about how it relates to what you are trying to do. And I appreciate you allowing me to do that today, Rick.

Rick Schwartz, Publisher of Rick's Blog and Founder of the TRAFFIC Domain Conference. Thank you for coming on the Domain Sherpa Show again, sharing your knowledge about domain names, and thanks for being a Domain Sherpa.

Rick: Thank you.

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

Watch the full video at:

<http://www.domainsherpa.com/rick-schwartz-handreg-interview/>