Interview with Ryan Colby, Sedo

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Here's your program.

Michael: Hey everyone my name is Michael Cyger and I am the publisher of DomainSherpa.com, the domain name authority and a place where you can learn about the domain name industry directly from the experts themselves.

My Dad was an automotive mechanic. He could look at any car and tell you what was good and what was problematic, what needed to be changed in 5,000 miles, and whether it was a sound to buy, or whether you should pass on it. He did it all in his head but he had a check list of the major areas of the car to evaluate. The same is true for domain name purchases. There is a fifteen point assessment that can help you determine if a domain name has real value.

Joining me today to walk us through this fifteen point assessment is Ryan Colby. A Senior Sales and Brokerage Consultant for Sedo covering the North America marketplace for high valued domain brokerage. Ryan specializes in acquisitions and divestments of domain owners and corporate end users with domain names valued at $250,000 and above. Ryan has sold over $7 million in domain sales in the last eleven months alone and has brokered two of the top ten publically recorded sales on Ron Jackson's DNJournal.com sales chart for 2011.

Ryan, welcome to the show.

Ryan: Hey, thanks Michael. Thanks for the opportunity.

Michael: And I want to point out to our watchers that while you can watch this it is going to be an audio only recording. Ryan is out of the office but he has been gracious enough to peel off a few minutes to have a chat about brokerage and what domain investors need to know about buying domain names so that is why we are only doing an audio recording today.

So Ryan let me start off with one of my standard questions that I like to ask a lot of other domain investors and domainers that I bring on the show. How many domain names do you personally own?

Ryan: Actually that is a great question. Actually none, because we actually signed an agreement when we come to Sedo that we don't get involved with domain trading versus conflicts of interest. So unfortunately I don't have that opportunity.

Michael: I love that. You know there are so many registrars out there that have their own domain portfolios and I believe that they are probably isn't a conflict of interest but there could be always a perception of a conflict of interest when a registrar is buying domain names and you are using their drop list to look at domain names that you may want to acquire. So having a broker that signs a sort of non-compete and has no conflict of interest is refreshing to see. So let me ask you this then, what has been one of your favorite domain name sales in the past year that you helped broker?

Ryan: Oh boy, that is a good question. I would say my favorite was probably logo.com simply because it was such a perfect fit for development. And what they have done with the site since I sold it has really been amazing. They really wanted to come into the market and create the number one predominant brand for logos for people who are looking for graphic design and do it on a large scale. So I really like the example of logo.com because it is a premium four letter .com but it is for commercial use and it is a great example to see a company coming in and really monetizing it in a good way.

Michael: Yes that is a fantastic domain and even better because it is four letters. Was the sale information public on that domain, Ryan?

Ryan: That was a public sale. We did publish it. We typically don't publish who the buyer and seller were but we do publish the sales via the Sedo feed. But I worked awhile on that one. That was a sale that we had been working on for I'd probably say four to five months and finally came to pass.

Michael: So four to five months and how much did that domain name sell for?

Ryan: That was $500,000.

Michael: So in your own words what do you do as a domain name broker? What is your main responsibility?

Ryan: Good question, I think to sum it up. Really what I do is I seek to maximize sales prices for both buyers and sellers. And for people who are looking to acquire domain names if I am acting in the agency relationship for them I am basically seeking to acquire top domains that seek their objectives for where they want to go on their business. For domain sellers, which we refer to as domainers (which is probably the majority of your audience) what I do is try to seek premium pricing for the domain names. In other words I try to get retail value for those names that they have. And I eventually do that by contacting the people who have a commercial and intended use for the domain name so it can fit seamlessly into where they want to go. So basically I'm working on behalf of buyers and sellers to help them achieve their objectives.

Michael: What does a broker typically charge for commission?

Ryan: Well we charge a flat 15%. So if a broker handles and touches a deal our fee is 15% of the final gross sales price, which is in my opinion a very fair rate given the amount of work that we actually do. A lot of people may be under some false impressions in terms of how much work actually goes into the sales process for a premium generic domain, but I can tell you it is very lengthy, very strategic. There is a lot of up front research involved before we even start. My thought on that is 15%, if I can help you reach your sales objective is a win/win.

Michael: I want to come back and find out exactly what you do to get the maximum value for when you represent a seller in a domain name. So 15% is the typical rate, or is the standard rate that you charge to broker a domain name. Do you see some other brokers outside of Sedo that charge 10% or 20-30%? Does it vary in the industry much that you have heard of?

Ryan: I can't really speak on behalf of other brokers and other company's rates and I have seen some variations. I would say that the 15% is probably a standard fee and I have seen higher and a little bit lower. But in the end you always get what you pay for.

Michael: That is true. If somebody wants to sell their domain name with you using you as the broker, I assume they have to sign a sales contract and there is some sort of exclusivity period associated with it?

Ryan: Exactly. We basically refer to it as an exclusive brokerage agreement. Not unlike selling a house. If you can compare this to the real estate market, you are working with a real estate broker you are putting that home under contract for sale for a specified amount and a specified duration of time. We do the same thing in the domain name industry. The first thing is really making sure that it is a name that I want to take on. If I feel that there is a value, intrinsic value, in the name and I feel that the seller's sales price is in alignment with the market and something I can achieve for him, then I will go to the next step and we put a proposal together to take the name under exclusive contract for sale. Typically most of my names are a six month term, especially the larger ones getting over $250-$300,000. That is to put a name under contract for six months as least to really enable me to get into the market and do what I need to do.

Michael: And what percentage of the domain names that you review do you reject? That you just look at and you say I can't do anything with this domain name.

Ryan: I would say about 70-75%. It's pretty high.

Michael: Yes, and given that you deal primarily in single word generic domain names are the 70% that you are rejecting are they coming in as two, three, four word generics or brandables, or do you see a wide variation or are they all one word generics and you are rejecting 70% of them?

Ryan: No it is definitely a wide variation. And we get a lot of different extensions of .nets, .orgs. We get good two word .coms which I will take a look at. But we get a lot of .me, .in, .nets, .orgs and while there is a potential fit and a potential use for some of those names most of the time we are really looking for those premium one word generic .coms. I like to really use evaluation analysis. Names under $250,000, maybe it is not a good fit for my time and for their time either. Versus if you are working with another broker or somebody who would maybe slice into lower end of the market where the name could be moved quicker, but that is really not where I would operate.

Michael: And what percent of the domain names that you take under contract, that you represent, actually sell?

Ryan: That is a good question. I would say, I would have to do some more data on that. I can tell you that the average sale cycle is probably somewhere between 60 and 90 days for a name to sell. I'll tell you I have about 64 in total under contract right now with me alone. And I am just kind of getting a lot of momentum into that sales process now. I actually don't have data on that.

Michael: Clearly the domain names that are selling at $1,000 to $5,000, the premium domain names that are selling at $1,000 to $5,000 have an enormously much larger potential purchaser base than the domain names that you are selling at $250,000 to $300,000.

Ryan: Oh sure. Absolutely anyone who comes to the Sedo marketplace and look for names like that, especially if they are fixed pricing their names, if they are listing their domains at a very specific price and they are using our marketplace that can be very, very effective at Sedo. If a broker touches it – usually outside sales brokers they are looking for a much higher premium on a name, but the Sedo marketplace for names at that value is very effective.

Michael: So let's dig into this. I have been chronicling how to value domain names. As it appears to be a topic of interest to pretty much anyone that owns a domain name. You and Sedo have a fifteen point assessment of determining the value of a domain name and what I would like to do is walk through these fifteen points. Is that okay?

Ryan: Sure absolutely.

Michael: So the first point that you use in your assessment of appraising the value of a domain name is the Top Level Domain. What kind of information do you look at and how do you make an assessment on the TLD?

Ryan: First things first .com is really the gold standard. If you have seen a lot of my Tweets and what I say about .com it's really the only extension that I take very seriously. I mean I might look at a .org if it is very high level premium one word generic. I look at it. Category killer, but most of my names need to be .com. That is really the domain extension of choice. And I think it will be in the future. So that is kind of my first check. If it is not a .com I am probably going to say pass.

Michael: So even if I come out with a brand new TLD that's dotcom, so it's not .com, you are never going to look at those. You are always going to say .com is the king?

Ryan: I'm always going to say .com is the king, sorry.

Michael: Wow, alright. Okay .com is the king. You look at some .org, some .net you may look at?

Ryan: Yes if it is something like cars.org or finances.org something like that, or gold.net. Something very, very specific, carries a lot of global search I will definitely take a look.

Michael: Then your second appraisal factor is Generic One Word. So basically you are looking for generic one words primarily.

Ryan: Really for premium brokerage we are really looking for those one word .com names. Don't get me wrong there are definitely very valuable two word .coms names. In category killers as well we will take a look at them but really from a valuation standpoint, for a premium generic it needs to be a one word.

Michael: I'm going to throw a couple of generic words, one word, two word, I just want the audience to realize that I do not own these and whoever does own them is a lucky person. So somebody comes to you with creditcard.com. You would look at that because it is two word and because it is a massive search volume.

Ryan: Oh absolutely. Creditcard.com carries a very, very high CPC and even though credit card is two words it is really sort of one word because credit card is a thing. I would kind of count that as a one word.

Michael: So you look at it sort of from the phrase perspective not necessarily a literal word.

Ryan: Yes, because for that specific domain credit card is really the key word or the key phrase if you will. It wouldn't be card. It might be credit but credit card is a very specific search.

Michael: And would you care if it was credit cards (plural) or credit card, or would you just defer to the Google Ad Words Keywords Tool and find out which one is more powerful?

Ryan: Yes I would definitely look at the Ad Words Tool because sometimes you have plurals which are more valuable and other times you have singular. So it just depends.

Michael: The third appraisal factor is Global Monthly Search. Tell me about that.

Ryan: Yes, Global Monthly Search is a fairly quick rule of thumb evaluation that I do. Obviously exact match search is probably much more important. But I like want to get a big feel of – I usually look at both what is the total global and see exact. But global monthly gives me a kind of big picture.

Michael: Yes and what number are you looking for to make sure that it has enough worldwide interest for you to take it on or determine if it has value?

Ryan: I would say that most of the names that I look at when I go through this process if they are somewhere between 5,000,000 and 10,000,000 a month on global monthly that peaks my interest.

Michael: And what about local? Do you not look at local?

Ryan: I don't really look at local for the big picture analysis.

Michael: Okay because anybody who is buying a domain name that is $250,000 and above is probably going to be looking at some sort of global use for it. Is that your thinking?

Ryan: I think so, yes.

Michael: The fourth factor is Generic Branding. So you are looking for something that is generic brandable?

Ryan: In other words how can a company basically take this word and build a niche. A perfect example is diapers.com. Look what happened there with Amazon, with the acquisition and how they basically built a brand around a generic premium domain name. That is key, and I think that that adds a huge amount of value in the appraisal process if that can be done. It can't always be done but like you take examples like wood.com or metal.com, diapers.com, those are generic domain names that an entire business can be built upon and then branded even around the domain name itself.

Michael: Did you broker the diapers.com domain name?

Ryan: No.

Michael: So I understand that generic branding - building a brand on top of that generic domain name. That is your fourth appraisal factor. The fifth one is looking at the Average Cost per Click.

Ryan: Yes CPC is definitely very important when it comes to evaluations. That gives us a sense of really who is bidding for the keywords in Google. Who is actually paying for the right to go after these key words? You know day after day, month after month. Really we try to look for a CPC at least at a dollar. Most of the generic .coms I'm brokering are higher than that. But falling under a dollar then the competition is really starting to go south.

Michael: So a dollar is sort of that threshold that you want to see.

Ryan: Yes at least.

Michael: Okay I'm going to jump one of the points here and go to number seven which I think relates to the average CPC, is Paid Ads for the Keyword. So does that mean you actually go to Google or Yahoo or Bing and type in that keyword and see if people are buying ads?

Ryan: Exactly. So paid ads for keywords is really just going to Google, going to the different search engines and see what pops up on the right hand side of the page. You know maybe the top three or four highlighted advertisers. Who has actually developing ads and paying for them. It is a quick search.

Michael: Okay so just for the audience Ryan was kind enough to send me his fifteen point appraisal for directions .com. One of the domain names that he is brokering right now. Directions as in I need to get directions from point a to point b. And in this Ryan I can see that the average cost per click has a certain value - $1.50 on it. Whereas the paid ads for the keyword directions is zero. So you used Google to determine that the average CPC was $1.50 but then when you actually go to Google and type in that keyword nobody is actually buying any ads. How do you correlate those two factors?

Ryan: That is an interesting discrepancy there. Actually I use a service called SpyFu. I'm not sure if you are familiar with that. But it is a paid service and it enables me to really grab the average CPC and basically tracks all advertising under keywords over the past three years. So sometimes we want to check those too. That CPC could be based on not necessarily card spending but it can be based on the past. You know maybe the average for the past three years versus now. So that is kind of an alignment check. If nobody is paying for it now there can definitely be a discrepancy there but we kind of want to merge the two. What have people paid for keyword CPC in the past and then what they are going right now? So it could be that that is the history cost per click and then currently maybe it's gone down. Maybe it's just nobody doing that right now.

Michael: That makes perfect sense because yes when you go into your Google Ad Words Keyword Tool and you search on the phrases and I assume the average CPC it's not going to be in real time. They are probably going to pull the data from last month or the last three months to give you trends.

Ryan: Yes it is always changing. Always changing. And our job is to track that. It is more the historical averages of CPC. It could change tomorrow.

Michael: Right and that is a great tool that you mentioned. So that is SpyFu.

Ryan: SpyFu.com. I highly recommend it.

Michael: Great now let's jump back to number six which is SEO Commercial Interest. Search Engine Optimization Commercial Interest. What does that mean exactly.

Ryan: Yes SEO interest is really, when I refer to that, I am really talking about organic search. So when you go to Google and you look at the right hand side of the page and maybe the top section those are not the sections that I am referring to. I am really referring to who is coming up in organic search. In other words what are the companies out there who are actually taking the time to get their listing, get their commercial website link on the first page of Google organically without having to pay for it.

So if I see a lot of for-profit companies in the organic search I'm going to say that they are all kind of jockeying for position that is a really healthy sign. Versus if I am getting very generic websites that are coming up on the first three pages. You might say there are random blogs or people who aren't necessarily in business to make money that would be a red flag. So the more major corporations and legitimate online businesses that are heavily competing against one and another showing up in the organic search, that is a really good sign. You want to see that.

Michael: Okay and so for directions.com the SEO interest is low, you had here, but for the example that I threw out earlier creditcards.com or creditcard.com that would probably be pretty high SEO competition around that keyword phrase.

Ryan: Exactly. If you type in directions is Google. The interesting part with directions is it is very clear, very specific one word .com. It could be used very specifically for Satellite or Navigation Company. But the SEO commercial interest people aren't necessarily competing around it. So it is a catch 22. There is a ton of value on the branding side, maybe not so much on the SEO side. And with credit cards it is almost the opposite. You could probably have a lot of very heavy organic search SEO competition, a lot of paid keywords, but people are probably going to brand themselves as maybe a Visa or Master Card not creditcard.com. So you go back and forth there.

Michael: Right that makes perfect sense. Assessment appraisal factor number eight is being able – determining if it is going to be hard to misspell.

Ryan: Yes very important. A lot of people don't really include this on their evaluation but for instance Mississippi.com or Massechusets.com, I can tell you that if I'm typing that into the search bar it is probably a high likelihood that I'm going to misspell it and I'm going to have to think about it. That is a factor in evaluation. Even though it could be a premium generic if there is a potential for a misspelling I think that has to be factored in versus a logo.com. L-O-G-O. Nobody is really going to misspell that. But if there is any kind of doubt in my mind about people's confusion that would affect a direct navigation to traffic I want to factor it in.

Michael: Sure so if it is something that starts with the sound z it could be an xe or a ze or I know the first time I heard about Flickr I'm sure that the first time I spelt it F-L-I-C-K-E-R rather than removing the E.

Ryan: A perfect example. And it absolutely something that people who are branding need to take into consideration, and domainers as well. A lot of people think that if they have those types of misspelling they can get premium prices but that is really not the case.

Michael: Number nine on your assessment is Monthly Parking Revenue.

Ryan: Yes, monthly parking revenue is something for parked domains if we have data I'll include that in there. It gives me a sense of direct navigation traffic. What is the monetized and how does that monetization play into the overall intrinsic value of the domain name. Hopefully it is not a huge factor but it is something that I at least look at. And often times I don't have parking revenue either. So a lot of names are either maybe developed or they are not parking them so they won't have that. But if it is there I want to at least know about it.

Michael: So in the case of directions.com you put information not applicable but then the assessment was good. Do you think that – does that means that the owner of this domain name didn't have any data but you think there would be a decent amount of type in traffic?

Ryan: Exactly, that is exactly what my rational was.

Michael: How can you guesstimate that there might be a decent amount of traffic?

Ryan: That is really a gut call. Basically I look at it like if you are at your computer and people are just going to type in directions out of curiosity because they need to access directions I think there is a high likelihood there that that can be fairly significant.

Michael: Okay and one thing that I have always wondered. Do you have any data around doing a global monthly search or an exactly local monthly search and having a percentage, ballpark that you think type-ins would happen that correlate to that factor?

Ryan: That is a great question. I really don't. I don't have any data or percentages around that.

Michael: So that is the Monthly Parking Revenue. So it sounds like it is a nice to have. It sounds like if it has monthly parking that that might increase the value of the domain name further but it is probably going to be a valuable domain name regardless of whether there is revenue.

Ryan: Definitely that is a valuable domain regardless because understand that most of the names I'm selling are for branding reasons anyway. So while the parking revenue or the type-in traffic is a fantastic bonus to have it might probably not going to be the determining factor in the decision.

Michael: Alright number ten is Average Monthly Uniques. What is that exactly?

Ryan: Well that again goes back to more of the direct navigation data if we have it. We typically get that from Google analytics. Really how many people are visiting this site per month? A lot of domainer owners don't have that information but again it is an extra if I have it. It only increases the value.

Michael: Okay so you may actually know how many people are going to visit that website but the website may not be parked and it may not have the revenue but you know that it is getting a decent amount of probably type-in traffic.

Ryan: Exactly. I always ask for Google analytics or certain types of data. I've say 50% of owners have them and then maybe 50% don't.

Michael: And is there a certain threshold that you look for with respect to the average monthly uniques or do you say that it needs to have some traffic for you to evaluate it or is it one of those nice to haves.

Ryan: Not at all. It is just a nice to have. If something is getting 50,000 uniques then there is definitely a lot of interest on my part. But that is a bonus.

Michael: So for example and this is a complete example, if you are selling logo.com to somebody who probably wants to develop a logo service shop being able to say that it has 50,000 unique visitors per month is a tremendous benefit because those people are probably looking for a logo.

Ryan: I think that definitely plays a factor because you are already dealing with somebody who knows what they are looking for and the objective would be to commercialize that search directly into the business model.

Michael: That makes perfect sense whereas something for directions.com the value of those unique visitors may not be worth as much to say maybe it is a satellite communication company that wants to brand it. They are not so much interested in people that are looking for directions on the web.

Ryan: Exactly and you are not going to purchase directions. That is the difference there. You know directions really – I mean it is something that could be tied into an overall brand but a logo is something that people are absolutely going to purchase. So you have that kind of different business model if you will. And that is very important because companies buy domain names for different reasons. Some of it is very quantitative, you know it is tied to a very specific monetization model and then others it is simply pure branding. And we have to sort of play both roles and figure out what is most important to buyers.

Michael: Definitely. Point eleven in your fifteen point assessment is Marketability.

Ryan: Marketability. That sort of ties back into generic branding in a way but it goes a step further where generic branding is can you use this very specific keyword to brand to the entire industry for that particular thing? Marketability is how can you build a very specific versus generic brand around a domain name? For instance one of the names that I have as an exclusive now is tiki.com. T-I-K-I.com. It is very, very marketable domain name because it is unique. It is something that can appeal to corporate marketers. There is only one of them and I just want to get a sense for what is marketable and what is not marketable. The higher degree of marketability the higher the value or at least is going to play into the overall evaluation more.

Michael: So what is the range in marketability? Does it go from good to poor, one to ten? How do you sort of evaluate the marketability?

Ryan: I typically use poor, good and excellent. Or maybe fair, good and excellent. There is really only three tiers. The most important thing for you to remember on this sheet is I know we all love our formulas and there is a million people out there who have their different ratios and percentages and kind of break down a quantitative analysis. What is a domain really worth? But it is important to understand that it is really an objective process. It is different for everybody. So I try to really approach these evaluations from the biggest lead point I can. I'm looking at it from a 50,000 foot cliff and I am looking down. And then I kind of build into it more and more. Look at it a little bit closer. But everything is totally subjective.

What could be marketable from one company could be totally not the case in another. And sometimes it is literally just a matter of opinions with people. I have a CEO that says that is the most fantastic idea I've ever heard, let's do it. That is worth $750,000 in cash to me today. And you might have another CEO where you know there is no value in that at all, I'd rather stick to my card brand. That is such an important thing. I don't think that the industry truly gets that yet. I think there is too much lean on the quantitative side and they are forgetting about the objective decisions that go into this process. It is really interesting.

Michael: Well you know I find it to be a very interesting scenario as well Ryan, but if you look at the real estate analogy – you know I'm an engineer so when I go out and buy a house I do the dollar per square foot calculations. I look at the finishes in the house. I look at the square footage of the property. I look if there is any hazard on the property like a creek or something that my kids could get hurt doing. When I put all those together and I believe it is subjective however I can go in and actually compute average dollar per square foot and compare it to other dollar per square foot homes in the same area and get a ball park or a comparison. Is that not valid in the domain name industry as well?

Ryan: No and that is a good point. You have to do that and I think where I'm going with this is the grilling you have two valuations that you need to put into your equation. What you are talking about and what we are talking about here is really what I call intrinsic feel. In other words what is the value that is really built into the domain name if we took all of the subjective value out of it, if that makes sense? So those are the quantitative factors that we can actually analyze. Global search, CPC, type-in traffic, commercial SEO interest those are things we can specifically measure and also (we will get into this a little bit later) compit comps (spelling 38:18), comparable domain sales over historical timeframe. If we could get that then we could have that just like in real estate. We could get an intrinsic value but the intrinsic value has to be merged and combined with the subjective value.

And that is really what the market is, the marketplace. How does the marketplace insure the intrinsic value that we just put on that name. And that varies so much, which kind of makes this industry exciting because there is so much up and down with that. But what we are talking about today is really a par value, in the stock industry we talk about par value on share or intrinsic value. So I guess the answer is we do our best to reach an intrinsic value, but then step back five steps and we try to understand the subjective value of how is the market really going to interpret intrinsic data which is put on this? Sometimes they just throw it out the window. I can have all these stats and crazy figures about what this thing is worth and they say well that is not worth anything to me, Ryan. And other times they might tell you that that is worth $1 billion to me because it is a great brand, let's do it.

So it is fun. I like that aspect of the industry. It actually puts a lot of pressure on me as a sales person because I find if you don't know how to sell you are in big trouble in this industry because the intrinsic value is just…a lot of the CEOs and people who brand it is kind of garbage.

Michael: I completely agree with you. I believe that there is something to the intrinsic value and I do believe that there is a direct analogy to physical real estate. A quick example is my first house, my wife and I bought in San Jose, California. I think I took loans out against our 401K for the down payment and then pretty much mortgaged the rest of it. So we had very little money down. We bought it for what seemed like an enormous amount of money. It was way above what it should have been valued at in our opinion. It was $400,000 and we ended up buying it.

And then six months later we got transferred back east with the company that we were working for, GE. And we ended up selling it for $500,000. And there was a bidding war. And I think that there was a bidding war because we valued it at probably 425 – I can't remember what we listed it at but there were so many people interested in it. I mean we look at it. We look at the bones, we look at the dollar per square foot, we look at what we paid and we say it is worth probably a little bit more because we put some value into the house. And the market has appreciated a little bit.

But the rest of the market said we love that house, we love the finishes that are in it, we love the location and the same is true for domain names. Somebody may come along and you may say logo.com is probably intrinsic value is $300,000 but somebody else may come along and say that would be the killer name for my new business, I must have it, and I will pay up to $750,000 or whatever the case may be.

Ryan: Exactly, exactly and so it makes this industry so exciting and it's really it shows that the opportunities are still abounding day in and day out in this industry. They really are. One man's trash really is another man's treasure. And we see it all day long. I probably get ten to fifteen calls a day Ryan what do you think of this name? What is your gut check on this name? And I love doing that because a lot of those people they will get opinions from other brokers but everybody is always asking around. They usually take five or six different opinions and then average out all of them and try to reach what the real value is. Are some domain names priceless? Yes I think they are, especially to their domain owners. Some people never sell. To them it is priceless, you can't even put a tangible dollar amount on a domain name, but we try hard and I think it is good to have this conversation because to your audience the more you do your due diligence the more that you can hash out intrinsic value it helps when we come to subjective value.

Michael: Right, definitely so let's walk through the rest of these appraisal factors to determine the intrinsic value. Number twelve is the Industry Targets. What does that mean exactly?

Ryan: Industry Targets for brokering that is important because I want to know, okay is this domain name very specific to one industry like entertainment or technology? Or is this a name that I might be able to hit three or four different industries with? If it is a broader market that could be more exciting for me as a broker. It gives me – I can paint some broader strokes when I am trying to sell the name. So I just want to know what are the key industries that I am going to hit? It helps me from a sales planning perspective too. Where am I going to take this?

Michael: Can you give me an example of one of the domain names that you have under brokerage right now that can hit multiple industries?

Ryan: That is a good question. I mean geo domain names are interesting because geo domain names could be picked up by travel companies, independent investors looking to monetize the space, it could be picked up by the countries themselves, travel and tourism departments, so there is different angles to play that in the geo domain names.

Michael: So for example you have Italy.com which is a fantastic domain name under brokerage. So that would be one where you might target the country itself, any travel bureaus in the country and any travel agencies that focus on Italy. Publishers even that want to focus on that topic.

Ryan: Exactly so it could be a publisher, it could be a publisher of a magazine, maybe a high end luxury magazine. Or it could even be what I'm seeing the trend is a lot of high end commercial or residential real estate developers and brokers because if somebody is searching Italy.com maybe they are in the market to buy an Italian villa for $5,000,000. So that is a heck of a lead. If you are a real estate owner and you owned Italy.com and let's say you are brokering some of the most prestigious and expensive luxury real estate in Italy that might warrant a big investment in the domain name. So those are different angles where that can be really monetized if the right person sees the opportunity.

Michael: So the more industry targets the better?

Ryan: Again it kind of depends. For instance if you have one key name and that is the name for that niche and you have the one word, it is only that one and there are no others then that is pretty cool. That is going to add value from a sales perspective. The downside is you may be limited. So if the people in that industry say no well you are kind of shot. And your sales process has kind of ended abruptly. It is a big kind of hit or miss where if you have more industry targets from a sales perspective your kind of diversifying.

Michael: Right but it is a lot more work isn't it?

Ryan: It is a lot more work. A lot more research which is a lot more work. Sales process is a little bit more lengthy.

Michael: Do you personally, as a broker of that premium domain name, look at it as that is a lot more work for me. Or well I have got a much better chance of selling this domain name but I'm going to have to hustle and find all the opportunities.

Ryan: It kind of depends on a number of factors. Where my current inventory is. How many names I have on my plate? How quickly can I reach out to those key buyers immediately? It might be a case where in a week or two I can get in there and really do some in-depth research, make the calls and really try to get a market value within a couple weeks sometimes I'll do that. What I'm really looking for is something I can sink my teeth into over three to six months and try to maximize the price.

Michael: And then your thirteenth assessment factor is entitled: Core Sales Prospects. So I assume you are evaluating the number of sales prospects that you have that are viable?

Ryan: Yes the first thing that I always say to myself is when I hear a domain name, blahblahblah.com, who are the top ten people I should call today about this name? If you can't generate a top ten list then your name is probably not going to be worth that much. That is kind of my rule of thumb question. Who are the top ten?

Michael: And do you do that directly from your head or do you do that with research online?

Ryan: A little bit of both. Obviously I'm going to put research into it but I try to do it in my head as well. Just from who are the key placers, who are those top ten that I know of? And I think everybody can do that. You can kind of do that yourself. Like for instance: laptops. Who are the players out there? We've got IBM, we've got Lenovo, and we've got Dell. It is a compact right, are they still operating? Probably, I'm not sure. It is good to kind of spit off that top ten list because we are kind of assuming who should own this name? Who really should own this and if you are an industry leader in order for you to stay on top as the industry leader you are going to probably take a look at a premium domain name.

Michael: Okay number fourteen is: Timeframe to Sale. How do you evaluate that?

Ryan: Timeframe to Sale. This is kind of a gut instinct I kind of put this into the equation. I just know that is going to be at least a six month process. There is just so many prospects. This could be where the owner is his asking price on the domain name might be a little higher than I am comfortable with so it might take me a little more time to try to get that premium that he is looking for. So I might wince a little bit in the beginning but say okay he is looking for an extra $150,000 – $200,000. Fair enough it is going to take me up to six months to get this. I'm still interested in it. It might be a little bit harder. Whereas if I have a premium generic domain name where I think is priced below market value and the seller is basically just looking to liquidate and he is happy with a fast cash sale we might put that to 30 days. So it depends on really the objectives of the owner. That is where I'm getting that metric.

Michael: Do you prefer to have a six month timeframe in order to fully – I guess it depends on where the owner is setting their price at. If they are looking for something really high it is going to take you longer so that you have a longer time frame built into the brokerage contract.

Ryan: It really only makes sense. You are not going to sell – I mean sometimes you can but usually probably not going to sell a seven figure domain name in 30 days. I mean it can be done but to strategically negotiate, pull budgets, get corporate buy in, have everybody saying yes. As a broker I don't want to put that much pressure on myself. I'd rather have a six month window.

Michael: Right, I have worked in corporate America I know they don't move that fast.

Ryan: They are very slow. It is red tape and you have to anticipate that. So it is obviously setting expectations too. If I am dealing with a domain owner: I want $800,000 for this name can you do it in 60 days? Well I'm just going to say no. I can't do that. But if somebody really wants to put their name on the market and get the name into the market, talking with me, talking with the right people key level executives, getting feedback and really getting a sense for the demand in the market for the name, it is better to just kind of settle in and go with that. Versus please, please, please sell my name in 30 days or less. I can certainly do that and I'm not going to get the premium that you might want.

Michael: Exactly, it's a tradeoff. And then your last point in the fifteen point assessment is: Developed Site.

Ryan: Most of the names I take on are generic raw domains that don't carry any type of revenue. And when I refer to revenue I mean commercial revenue, selling of products and services versus parking. But we are seeing an increase in that now in the market. A lot of people looking to sell that have developed sites and they have already started to brand. And I think if people have that it's only a bonus because it is sort of validates the business idea in the marketplace. And people may be taking the idea – they have taken it maybe half way or a quarter there but they are gaining a little bit of traction. They have some monetization in place. That can help, that can help in the sale because there are a lot of people looking for ideas. And if it is developed I think that that can only be a bonus.

Michael: But isn't that the case only if it is developed in the area where the buyer, the new buyer wants to develop the website further?

Ryan: Yes exactly. So it would have to match the specific objective of the buyer. That could be a downside too. You could run into a circumstance where what is currently being done is completely different than the current buyer might want to do but we are also going under the assumption here that these are premium generic domains. So a lot of times whatever the generic name is is probably going to be assumed that the commercialization is going to follow. But again you have variances there as well.

Michael: So that is the fifteen points there. I think I understand how they all – they are all great points. You don't do any trademark search. I'm assuming that you are assuming these are generic words that aren't trademarked.

Ryan: Correct. we will do a little research into looking for trademarks and if we feel there might be a conflict of interest there obviously we are most likely not going to take a name under contract.

Michael: And I also see before you come to an appraisal price on directions.com you run domain comparisons. And you ran comparisons for domain names that have sold in the past. In this case back through 2006 you have files.com, resumes.com, rebates.com and satellitephone.com. How do you determine which generic domain names are going to be representative comparables to the domain name you are evaluating?

Ryan: That's a good question. I think it is a gut check, a gut feel. Again this is sort of this subjective part again but I think at the same time the historical domain name sales is one of the most important parts to the puzzle. You really need to know what names are selling for what and taking an average. So it is very important but you know I think the length of the names is important -The number of characters. I think that the more that the name specifically relates to the industry. That is important too but again this is very subjective. So I try to do my best. Usually one domain comp isn't enough I think you need to have four or five to at least try to get a more accurate measurement. And a lot of time too you can't find good comparable historical sales. Sometimes you can. Sometimes you can find really, really close comparisons and then other times there might never have been a sale that is really comparable to the domain that you are looking at. So then it becomes more challenging.

Like for instance if maps.com hasn't sold it is harder to put an evaluation on directions.com. If maps.com did sell it would be a lot easier. So it is a direct comparison. Sometimes you have it and sometimes you don't. Geo domain names tend to be a little bit easier to value because we can take all the published country sales, country.coms, and weight that – there is a lot of data around that. So it is really hit or miss.

Michael: So you have got all of this data now, you've gone – and any of our watchers and listeners can go through and they can look at their own domains and run through all fifteen points that we just did and then they can go on to domain tools, search history for sales and they can run and try and find comparables to their domain names. They have got all this data how do you determine and estimated appraisal range for a domain name.

Ryan: It is interesting that you asked that question. We go through all that data, all the analysis, it has all been quantitative up until this point. So at this point what do I do? I throw it all away. And I use my gut. Honestly that is the way I do it. So we have all this data analysis, we put in, we try to reach averages, we've looked at the historical evaluation. Now what I do is say what can Ryan Colby sell this name for? And I put a number on it.

And usually it is pretty accurate because if I feel in my gut that the market is big enough that I have a buy channel developed in this industry based on what I have sold in the past it really gives me a fairly accurate rule of thumb. But this is the subjective part now. Where we are basically putting what we know on to paper. Now what do we think? What are we really thinking at the end of the day? So maybe that is not what everybody wants to hear but the truth is that you have to have a feeling around the name. As a good broker you have to in your gut say I can sell this. And you can logically back it up but at the end of the day it is really can you take it to the market and can you sell it?

Sometimes I say there is just no way. That number that I am putting there should very closely resemble the objectives of the domain owner. If we are seeing a big variance in it then we need to have more conversations about does it really make sense to take this name under brokerage?

Michael: Yes that makes sense.

Ryan: That number that I put there is really kind of my sign off in terms of this is what I am comfortable with. I think I can get you this. I think this is what the market is going to pay if we put a substantial effort into it. What do you think? And that is where we start the dialogue.

Michael: So it sounds like you could probably come up with an estimated appraisal range ($400,000 to $500,000) on a domain name let's say just by looking at the comps. But just like any real estate agent would never only look at the comps and put a range on your home for sale they would go through and do the fifteen point assessment that they have on a house. They would walk through. They would look at the finishes. They would look at is the roof falling in because of a leak on the second story bathroom. Your fifteen point appraisal is sort of the same things. You have got to look at all the factors before you come up with a range.

Ryan: Exactly. What your audience should be aware of however is that usually with real estate there is a specific objective and that is moving into a house, right? For somebody to live or renting that house, but with domain names the variance of usage is so broad that creates such a huge swing in evaluations. It is tougher. It is so much tougher to appraise domain names than it is in real estate in my opinion, just because it is such a subjective analysis when it comes down to an actual buyer. I need to get into their head. What is this potential buyer thinking? Where can he use this? In his eyes he may see zero value despite all the intrinsic value we have already put to paper. To him it may mean nothing. It could be meaningless. So this is where the frustration factor might come in. On the other hand he might see enormous value in it. We are trying to get an average. We are trying to get a market value. But it is important to understand that these variances absolutely happen all the time.

Michael: Alright check my reasoning Ryan. You get the maximum value for a domain name selling to end users, not to other domainers or investors. Right so far?

Ryan: Yes I think that is probably an accurate rule of thumb statement.

Michael: Okay but in order to get these deals you have to chase them. How do you market and promote a premium domain name like directions.com? How do you market and promote those for sale?

Ryan: This is really where skill set really comes into play and I'd like to talk about the art of selling the intangibles. I think it is a very, very relevant to domain name brokerage. With domain names you have to be able to paint a picture in the buyers mind about a potential for its usage. A domain name isn't a physical object like a piece of gold or an actual house that has cement and wood and glass. A domain name is purely an idea. So in order to really gain interest from end users I think that in domain name brokerage (and even in sales in general) the sales person has to be very aware of how he is going about selling an intangible. Am I creating a larger than life idea in the prospects mind? You know one where he can begin to attach value into this domain name merely by the words that I am using, the emotions that I am invoking in the buyer buying eye, if that makes sense.

Now I'm not talking about hype. Don't confuse this with good sales people who go out there and hype up that name and they are pushing this. That is not what this is about. This is really about understanding what a CEOs objective is. And then taking a domain name and strategically painting it into how it fits into his ultimate outcome. Does that make sense?

Michael: Totally.

Ryan: This is an art form. This is not, and I really, really emphasize this, people don't understand this. How do I get a good broker? Find somebody who knows how to sell intangibles really well. Painting a domain name larger than life. Getting them excited. Get people emotionally tied into the domain name. You need to paint the picture and the idea of them actually owning suchandsuch.com. How great it would be and how it actually goes into, ties into their long term strategic objectives. If it doesn't tie into their objectives they are not going to buy the domain name. So part of my job is I have to find out and I really need to dig deep into what are they doing? What business are they in? What are they selling? What is their average price point? What is the comparative market analysis? Who are their competitors? How can this give them competitive advantage? If I don't know those things I am not going to have a shot at selling a premium generic name for over $500,000. It is just not going to work.

Michael: But Ryan that is a ton of work!

Ryan: I'll clap. You will hear me clap right now. Yea, somebody gets it.

Michael: You need to know that, you know, General Electric or Fujitsu is coming out with a whole new technology that allows three dimensional communication. And so you really need to stay on top of it and then you need to think about from a strategic perspective and convince them how this domain name could help them on a strategic basis.

Ryan: Exactly. A perfect example one of the names I have under contract now was 3d.com. Well for those who are tied into the 3D industry, people know this is a growth market. This is an industry that is set to just absolutely blow away growth rate for the next ten to fifteen years. But if I didn't know that that is not going to give me – I'm just trying to sell the domain name. I'm not doing it in an intelligent way. I need to know who the players are, what are the different angles in 3D? You have movies, you have got games, you have got hardware manufacturers and there is just so many different angles. If I am not aware of the market dynamics before I go in to actually pitch a name (and I hate to use the word pitch because if you try to pitch names in this industry just forget it). It has to be – Hello Mr. CEO I understand what you actually do. I understand who your competitors are. I understand what your average profit margins are. What is the per sale cost per unit? I understand where you actually want to go. I understand what trade shows you do. You see?

Now if I can tie that domain name into all the other marketing that they are doing, because I understand what they actually want to do now I just raised the probability of a sale tenfold.

Michael: This is something that can be applied to any valued domain name. It doesn't need to be premium domain names over $250,000 does it Ryan?

Ryan: Correct.

Michael: I can take my $50 domain names or $1,000 domain names and do the same thing and probably have a better chance of talking directly to the

CEO that might buy $1000 domain name or a $10,000 domain name than you probably do selling a $250,000 domain name.

Ryan: Absolutely you could do that. The only problem that you are going to have is maybe as an independent they won't take you seriously. And that is really where the big value of using a broker comes in because if you are using a broker who this is all they do. This is how they earn their living selling domain names. All of a sudden the end user is going to say wow this really is a legitimate industry. We are going to send the other names that you are representing and versus if you own a name and there could be a conflict of interest in putting that proposal together. It is just one of those angles that you should think about.

Michael: Sure and so if you have laptops.com there is probably a slight change – I'm going to take a guess here Ryan. There is no chance you would be able to call up Michael Dell and have a direct conversation with Michael Dell at Dell computers. Is that a safe assumption?

Ryan: Actually no I wouldn't say that. I wouldn't say that. There has, absolutely been occasions where I could get to people of that caliber. So I wouldn't rule that out. As a matter of fact that is one of my objectives. I actually try to do that.

Michael: Isn't that a waste of time. Don't you really want to talk to the Head of Marketing? The Global Marketing Chief Marketing Officer of the company? Because they are the ones who are going to have the vision and the budget to spend the money?

Ryan: Well here is the thing. The higher I go first the higher I start in the food chain the easier it is for me to sell a name. So if I get the CEO to buy into something first I'm going to try to start there. Now it may in fact work out that I never actually do get to break through to a Michael Dell or something on that level but I'm going to try. And then if I get buy in the higher I get buy in all of the sudden the Vice President of Marketing is going to be oh that is a great idea. Of course, the CEO is on board. So it makes from a selling perspective rule #1 in sales is you have to start high in the food chain. If you get the buy in – if you don't get the CEO okay you move down.

Who is the next guy in line? Sometimes that will be a combination of marketing, it could be sales, it could be people off in PR. Every corporate structure is different especially in different sized organizations. The processes at Apple are going to be a lot different than the processes of a new company that has some venture capital backing. And then maybe in that case I can go right to the CEO fairly easily.

Michael: Yes and definitely if you contact the CEO and they don't want to focus on that topic but they kick it down to the Chief Marketing Officer or the Chief Sales Executive. Having it referred from the CEO it is definitely going to have a lot more impact on that person than you calling that person directly.

Ryan: Exactly. That is absolutely one of my tactics right there. If I get an inside referral, if I get somebody to refer me inside the corporate structure that is just a win.

Michael: Which paths do you prefer to contact? The highest level person you can at the company? Do you always go by phone? Do you go by email? Do you fax them? What is your communication route?

Ryan: Yes I think the answer is really whatever works. Wherever I can get a response. It is usually a combination of calls and emails.

Michael: So you will actually just call up the company and say I've like to speak to the CEO? And then actually say the CEOs name.

Ryan: Well I think what I would do is really get a referral before I would do that. So I would typically do some research, do my homework first in terms of finding out who is maybe the key guy in charge of product branding for such and such. Then what I might do is ask for his help. A lot of strategies I employ is basically getting people to help me. If I can create friends at companies and say you might not be able to help me with this but who is really the expert in 3D technology in your company? Can you help me out? You would be surprised how many people who are actually willing to do that. You just ask them for a favor. Can you help me out? Who does this?

You are basically prequalifying the people who make the decisions in the company. And with a lot of sleuthing around and using what you can get.

Michael: You know I think the audience is getting a feel for how much work goes into selling one of these domain names. I think a lot of times they actually use the analogy of real estate and say well I put my home on the market and the real estate agent came through, gave me some tips and then (you know things to fix or do) and list it on LMS and that is pretty much all they have done. Whereas they can see that you have got to come up with a game plan and you have to go after these people. It is not like you are listing it and waiting for people to come to you. You need to proactively go after the sales and make them happen. This is all or nothing. So sometimes you either sell a name or you never sell a name. So if that is not worth 15% I don't know what is. If I can reach your objective, if I can get this done for you at this price 15% for me is a bargain. I mean I know will be happy with 25% - 30% even more if a name were to sell. So I think that with the amount of effort that goes into the brokerage it is an important consideration. A lot of people are under the impression I just fake a name and see what happens.

Michael: Yes blast it out to your Twitter list, blast it out on an email list, and see what happens and that is actually not the case.

Ryan: It doesn't work. It doesn't work. With people spending that kind of money, like you said it goes back to that art of selling intangibles. If you don't have a skilled sales person and paint a picture about what this domain name represents to their ultimate outcome they are not going to buy it. So it is not about just sending things out on a list and hoping and praying that somebody is going to cough up $250,000 or $500,000 for a name just because they want it. I need to be able to create that energy about why they want the name.

Michael: Yes that makes perfect sense. So now that somebody understands the sort of relationship of the real estate versus the internet real estate they may pay 7% to the brokers to sell their home but 3 ½ to the buyer, 3 ½ to the seller, versus the 15% and how much work that you do, how many hours goes into all the work that you do to sell a domain name like Italy.com of 3D.com?

Ryan: It is a lot of late nights. Yes it is pretty much 24/7. I mean I am always on call. But you try to manage it. You try to get some sales support where we can to help manage the flow. But it is a nonstop thing.

Michael: On June 6th you posted on Twitter "The negotiations around 3D.com are heating up. Stay tuned". Is that still in the works?

Ryan: Yes I always like to give some tidbits of information without details in terms of the domain industry. I can really comment on it too much now. But I will say that we have lots of that activities, lots of these domain names and hopefully I can bring some good new home soon.

Michael: Great, so you do have domain names like we have been mentioning 3D.com, Italy.com, directions.com, insider.com, how do you get such fantastic single word generic domain name listing? Is it you hustling to go find those domain names and bring them in or is it you and the Sedo brand that makes people want to come to you and list their domain names for sale, or a combination?

Ryan: Yes that is a great question. It is definitely a combination. Obviously Sedo is the worldwide leader in domain brokerage and certainly on the platform that they have established. Typically in this process you are talking about a double sale. The first sale is contracting the names for sale. And then the second sale is actually selling them in the open market. So we are constantly working both sides of the equation. I think that when it comes to a premium generic domain names owners really want to see tangibles. Okay what have you sold in the past? What is your track record? If you haven't sold a million dollar name why should I give you mine? I think that is a legitimate concern. I mean I would have the same hesitations. I don't want to give my name to anybody. I want to make sure my name is represented in the best possible way. There are instances where names can be devalued. If they are not marketed in the appropriate manner, you can take names and actually devalue them, if you have the wrong kind of broker representing you. So I think it is a great partnership and it's really both. Sedo marketplace is fantastic and at the same time I'm out there trying to really show my personal value in terms of how I can sell, what I have done, what I have sold, what are the names that I represent and I think that gives people piece of mind.

Michael: Definitely. Let me ask you one other question from something in the industry. I don't think it was one of your sales but I was amazed when I heard that gamesforgirls.com sold for $500,000. Was that brokered by you or was that somebody else?

Ryan: Yes. That was my sale.

Michael: Why was that domain name worth $500,000, Ryan?

Ryan: That is a great question. Really it goes back to what we were talking about: Subjective Value. And this was an instance where this name fit in with the corporate objectives of the buyer. But I wouldn't have known that if I didn't ask them. So when corporations are going to spend money there have to merge the intangible with the tangible and this was a case where the picture needed to be painted in their mind but they had a specific objective and this domain name could help them get there. So I come in and I try to bridge the gap. So while some people say $500,000 for a three word .com that is crazy. I would say well to this company it was probably a bargain because it fit their objective. If it helps them to increase revenue 25% over the next six months is it a bargain for them? Probably. It fit their objectives. So we have to always keep in mind that gamesforgirls.com might not be a useful asset to the everyday user or domainer in general, in this case it was a good fit. So I think it was a win/win for both parties, both the buyer and the seller.

Michael: And was that a good fit mainly for the search engine optimization benefits that comes from that? The enormous exact match and global match search queries that are done on games for girls every day?

Ryan: I think that was a part of it. I think that played a role. I think this sale was an all encompassing sale where all the different factors had to align. So that was a portion of it.

Michael: Do you always try to get multiple people interested in the domain name in order to drive up the price, or when you are representing a seller?

Ryan: Yes absolutely. It helps. I mean if I can create a competitive bidding war around the name in an instance where I am representing the seller that is what people want because people buy when there is urgency around the transaction. That is the number two rule in sales. Urgency creates sales. So if you have multiple interested parties and you can basically be negotiating from a position of strength rather than weakness. Whether it was interest around the name, there are competitive flex around the name and here is why you need to pick it up.

Michael: How did you create that urgency for gamesforgirls.com?

Ryan: Well again sometimes you sell with urgency and then other times you don't. Sometimes you are selling on value alone. Sometimes you are selling on urgency alone. So really every failed conversation that I have, every single day, is always different. Not one of them is alike. So when gamesforgirls.com that was more of a value sale versus an urgency sale. So you have to take each individual sale, scenario, situation and evaluate them differently because they are just totally different, a different animal. Games for girls was more of an alignment issue. How do we align this name with where you want to go? With other names you might have three or four companies and it really is a matter of urgency. If you don't get this name today it could be off the market and your competitor is going to be off and running with it. That is a threat. So end companies need to be aware of that when a name is on the open market for sale. So it is a different adventure every day.

Michael: Alright, before the interview, before the show started Ryan and I were chatting where we are both going to the traffic conference this coming October in Florida. If you want to meet Ryan in person definitely go there. I've got at least twenty more questions that I had to move down in priority in this interview listed that I am going to be asking Ryan over multiple beverages at the event. So if you want to meet Ryan please come out to Traffic. I want to end with this. I want to leave the audience with something that is actionable, Ryan because a lot of people say it was a great interview, I got a lot out of it, what can I do today? So how can a domain investor who let's say has a lot of hustle, they try and buy domains low, they try to sell domains high (speaking of which What Type of Domainer Are You that just came out today) you are clearly a type two. You are a hustler. For the other domainers that want to be hustlers, that want to buy low and sell high, and they want to work to sell those domain names, what is the actionable piece of advice that they can go out and do today to sell some of their $500,000 - $10,000 domain names?

Ryan: I would say that the most valuable thing that they can do is get out of their own heads and try to get into the heads of those they are selling to. Really begin to list – create a one page prospectus on domain name. Ask themselves questions like why would my domain name be valuable to others? Write it down. Don't assume anything. Don't' assume that your name is worth x. Go to the evaluations but really look at it from how does this domain name make sense from the other party's perspective. A lot of domainers don't put enough time into that and if they did they would probably realize there evaluations would drop significantly because you need to be able to build a case for your domain name. Really understand what you own. Understand the market. And the best thing that you can do with regard to that is create a one page prospectus and also hook up with a broker. Find out on a daily basis what the opportunities are. Get piped in to the pulse of the marketplace and a lot of people have stock brokers right? Or financial advisors and lawyers but not everybody has a domain broker but if you are in the industry you really should have somebody that you can connect with. Maybe it's over Skype. You check in every day, every three days. That is going to really enable you to keep on the pulse of the industry.

Michael: Great advice. So again Ryan's focus is on domain name acquisitions and sales greater than $250,000. If you have a follow up question please post it in the comments below and we will try to get Ryan to come back and answer some of them. If you would like to follow Ryan on Twitter to keep tabs on him – your handle on Twitter, Ryan is…

Ryan: Sedobroker.

Michael: Sedobroker. S-E-D-O-B-R-O-K-E-R. All one word of course! Ryan thank you so much for taking time out of your schedule and coming on the show to share your fifteen point assessment and all of you sales advice that has been so valuable today.

Ryan: Thanks Michael. I really appreciate it.

Michael: Thank you all for watching. Bye.

Watch the full video at:
http://www.domainsherpa.com/ryan-colby-sedo-interview