

Interview with Adam Hawley, [Zipsurance.com](http://www.zipsurance.com)

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

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Here's your program.

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

Today's question is this: How do you go from zero to 12,500 domain names, 183 paying customers and more than \$100,000 in revenue in less than two months?

Joining me to answer this question is Adam Hawley. Adam is the president of Zipsurance.com, a company dedicated to bringing together insurance agents and clients.

Adam, welcome to the show.

Adam Hawley: Thanks Mike, I appreciate it.

Michael: So Adam let me first start by saying my computer is acting a little weird. Every once in awhile my video will black out and then come right back on within like a second. I apologize. Clearly my Mac is telling me to upgrade so don't be freaked out during the show when that happens from now which it will do from time to time. It looks like it just happened right there.

Adam: No problem.

Michael: I gave a really simple description of your business, Zipsurance.com. How'd I do, Adam?

Adam: I think you did really good. I had this idea last spring of how can we be more consistent with domain names. And I'll be honest I wasn't an expert on domain names before I started researching this. After looking at sites like

yours at DomainSherpa I was able to learn a little bit more about the process. I had an idea about these domain names of how we could say local insurance over and over. And I started this company based on that premise.

Michael: I was going to ask you about that. Basically your whole business value ad is connecting insurance agents around the US with clients who are looking for insurance.

Adam: That is exactly right. That is exactly right. You know a lot of agents have websites already. A lot of their domain names are unique to their business like johnsmithinsuranceagency.com. We had an idea of how we could do it a little bit better and they could take advantage of other people branding nearly identical messages.

Michael: Okay what is the idea in a nut shell?

Adam: As I quickly learned as I started setting domains almost every domain is taken, especially if they are any good. But what I started noticing were specific zip codes tied to insurance.com were taken. And they weren't taken hardly anywhere. So the idea was if I have 67601insurance.com, or 92206insurance.com, collectively those could be really special. And I had a belief that if I owned them all then we could make a market out of that which is what we have done.

Michael: So you bought 90210 for Beverly Hills plus insurance.com. You bought 60614 which I don't even know where that is and insurance.com. You own pretty much all the insurance domains with a zip code insurance.com.

Adam: That is correct. We were a little more scientific than that. We identified what we thought would be a relative market. We didn't buy the one... There is a zip code with two people in it in Montana and we didn't buy that one.

Michael: But what if they need insurance? I guess they both know each other. One is the insurance agent and the other is the client.

Adam: Yes and one is the postman too. They can figure it out.

Michael: Alright let's give the audience a little more information about why I think this is such a cool entrepreneurial domain name story. So how many domain names do you own today in the Zipsurance portfolio?

Adam: We own, and this is an approximation, but it is a little over 12,450.

Michael: Okay 12,450 roughly. Let's go back in time. You know I mentioned in the intro that had started selling since October 1st. Let's go back in time. January 1, 2011, how many domain names did you own in the Zipsurance portfolio?

Adam: Zero.

Michael: Zero, so you bought a little bit over 12,450 domain names this year.

Adam: Bought them all on the same day.

Michael: April 26, 2011. Is that right?

Adam: That is correct.

Michael: And you said that you lease these domain names to insurance agents. Is that correct?

Adam: That is correct. One insurance agency per zip code. That is part of our success is we only work with one agency. And in the insurance world now there are lots of companies out there that want to sell leads and traffic that go to multiple different agents. Our exclusivity is really what is driving our early success outbreak.

Michael: Very cool and one of the previous guests that I have had on DomainSherpa Brandon Pollack did a similar type of model in the driving under the influence, the DUI attorney industry or niche (whatever you want to call it) and he has done a fantastic job in the past selling specific domain leads by geographic area to specific attorneys. I think he has opened that up

since and I should probably have him back on the show to talk about how he has now changed his business model. But you are doing something similar. Every zip code, every lead coming in per zip code that client is being paired with an agent in that area that wants to own that local lead.

Adam: That is correct.

Michael: And your go live date I mentioned earlier was that correct? October 1, 2011?

Adam: That is correct.

Michael: So April 26, 2011 you bought the domain names. On October 1, 2011 you went live. Started selling. What does a zip code go for? How much do you lease it for?

Adam: Well they are all over the place because what I wanted to do was have a price that was fair to every zip code. And every zip code demographics are different. So we did some studying on there. And we built a function that spits out a price for every different zip code for every demographic. The average price is \$563 but the range would be anywhere from \$228 a year up to \$3,500 a year (which is our most expensive site).

Michael: Wow what is the most expensive city?

Adam: Sugarland, Texas.

Michael: Sugarland, Texas? I've been there. Why is Sugarland so expensive?

Adam: Well it's a function of population and home values and medium household income. When you put all those together...I've actually been there. In college I had a girlfriend that lived there and I'm not surprised because her Dad had a lot of money. If he is a representation of that zip code then I'm sure it is an expensive...

Michael: That is so funny. I would have pegged it at one of the cities like San Francisco where property is so high or maybe Beverly Hills or someplace over in New York but it is Sugarland, Texas.

Adam: Yes. I think a lot of it has to do with the geography of the zip code too. Some of those zip codes in San Francisco certainly per capita are going to have a much higher home value but there might be geographically smaller which could affect the population.

Michael: So you've basically broken even - let me back up for a second. So since October 1st leasing domain names are you still at 183 paying customers, i.e. insurance agents?

Adam: Yes last time we spoke that is where we were. We are over 190.

Michael: Nice so just last week we spoke and you closed another 7 agents. Now each agent may buy more than one zip code? Is that correct?

Adam: That is correct. And I do need to clarify that 183 that is how many domains we started. Paying customers is about 120. On average they buy 1 1/2.

Michael: Alright that makes sense. And we talked about the average. So if I multiply 190 domains at an average rate of \$563 I'm going to come out with a number that is over \$100,000 dollars.

Adam: Correct and actually what is interesting is that is our average price so we are finding that the customers that are coming to us or hearing about our services are coming from maybe the more populated areas. So at the price that we have actually closed on is a little over \$620.

Michael: So what are your projected sales for 2012? So 2011 was a late start, you got it looks like a quick start. What are you projecting for 2012?

Adam: Our projection for 2012 is we want to be in about 1,200 domains by the third quarter of next year for sure. Our goal is to hit 1,000 by the end of

the first quarter. But our projection is to hit it by the end of the third quarter and we want to be at 1,200 domains.

Michael: So if my math is correct that is going to put you over \$1,000,000 in revenue?

Adam: Yes that would... We would be there by then. That is correct.

Michael: When you are driving these sales by telling insurance agents that you are going to give them improved what?

Adam: The idea behind our premise is going to give them an exclusive traffic. Agents are buying lead right now and the insurance industry is a little behind in the game and because of that we want to show our agents how we can get more traffic to their existing sites or actually in the future we are building other sites so we would actually host a separate page that the agent can subscribe to. But in the meantime we are forwarding to their existing sites. And then we show them how to optimize and things like Google Places and relevant listing sites out there to help drive this message. What we are finding is our click through rate when somebody sees our domain versus their John Smith domain the click through rate us much, much higher. And we are not industrial psychologists here but we believe that the reason behind that is it is just relevant to what the consumers are looking for. Plus Google does us a favor anytime you search for a keyword everybody knows that that is bolded, so if you search for a keyword at least one of our...if you search for insurance that is going to be bolded in our domain name. If you search for both the zip code and insurance then the entire thing is bolded. And that stands out. Customers are seeing click through rates as high as 16%. We have some of them that in the extreme up in the 40s but that assets to small. But we are averaging somewhere between 14 and 16% on our Google Places click through.

Michael: And what does a normal insurance agent see on a click through? Or let me ask you this: What is an average click through on Google Places?

Adam: And average click through is less than 2% and they say the goal is 2%.

Michael: Wow so you are taking clients from less than 2% click through rate to 13% to 16% click through rate?

Michael: This is such a cool story Adam. Not just because it is a great entrepreneurial story of somebody starting with nothing but an idea and building it into a business poised for great growth in 2012 but because it was an idea hatched within the past year. Within the past year you bought about 12,500 domain names. You know I always get emails from people saying things like yes Mike but those guys you interviewed got started in the mid 1990s, they selected single premium words I can't produce that. Some of the emails I get are actually irate saying clearly people are burned on the issue of buying domain names and not being able to sell them. And I am here to say listen to this story, take notes, apply it to your own life, your own areas of expertise, get off your butt and make something happen. Adam is going to tell you how he did it. How was that for a rant Adam?

Adam: Well that was pretty good. You know I can't tell you why these weren't already taken. Most domain names especially because insurance is such a competitive history, most domain names are already taken and because these worked I was really surprised. I do need to clarify that there were 20 throughout the entire United States that were taken already.

Michael: So those 20 five digit zip codes plus insurance.com was taken.

Adam: That is correct. And they were all taken by local insurance agents who thought it was a good domain name to have. So they thought it was a good idea and it makes sense so they bought those, but we own the others.

Michael: Okay I want to learn more about the back story. Let's rewind your story a little bit. You are leasing insurance domain names with additional services but you were an insurance agent before you came up with this idea. How did you first get started in insurance?

Adam: My father...I'd like to say I was in the insurance business since I was two. My Dad is an insurance agent and we had lots of insurance conversations around the dinner table growing up, and learned a lot going into it. I did not plan on being in the insurance world and as luck would have it I graduated college and got a call shortly after that to go work at a local American Family Insurance office and that is what I did. And I found out that I liked it and I was pretty good at it and I eventually took over that agency. And I learned a lot as a young man of how to run a business. The ins and outs of marketing and strategies and everything. When you are a small business owner you have to wear all the hats. That was about 10 years ago. And I started learning more and more of the insurance world and then I was an agent and then for the last 3 ½ years I was a district manager based out of Kansas City, Missouri.

During that time it really opened my horizons to the insurance industry as a whole. The higher your level the more you get to be a part of conversations about bigger things. And I started noticing trends that were pretty obvious to me about agents struggling to get customers. We like to say they were walking past our doors. Or I like to say clicking past our website. Agents were just struggling to get today's consumer to start a conversation with businesses. And I saw that as an opportunity to how I could help my agents and that is how this whole process started with the domain names. They all had tipsmithinsurance.com, or johnjonesinsurance.com. It is not that there is anything wrong with those but they are all a brand. And you have to spend a lot of time and effort to get that brand driven into your community. Well my thought was if we could save local insurance over and over again and take advantage of other people's efforts then we could be onto something. And from there I stumbled onto zip codes and the idea that if you had a zip code insurance domains sure we would want you to brand it effectively just like you would any other domain but you are getting the benefits of 12,000 agents doing the same thing.

Michael: So let me stop the story there Adam. Let me back up for a second. You are rising up the ranks at American Family Insurance. You clearly have a career there going and you came up with the idea that having a local presence online would help all of the American Family Insurance agents throughout the United States.

Adam: That was the idea yes.

Michael: And did you actually come up with the zip code plus insurance.com.

Adam: I did.

Michael: You did, okay. Why didn't you implement that idea for American Family Insurance?

Adam: I actually got a chance to pitch it to some pretty important people in the company and they liked the idea. What I found, and this is no disrespect to American Family at all, but what I found at any corporate environment they want to test things. They want to make sure they are getting the results that they want before they expand anything out...well maybe because of my limited knowledge of the domain world I had it in my head if we go buy one state's worth of these domains someone else is going to see it is a great idea and go buy the rest of them. And American Family at that time was not interested in buying all of them so I went out there and bought my own.

Michael: So did you actually buy some of the domain names for a test for American Family Insurance?

Adam: No. I bought the entire portfolio altogether and then as you know there is a big gap between April 26th and October 1st and during that time we were studying what the heck we were going to do with them.

Michael: So are you currently employed with American Family Insurance right now?

Adam: I am not. I am not. I left what was a very good career, a rewarding career but I left to go start this business officially on September 23rd.

Michael: Okay and we talked during the pre-interview that you actually had a personal reason for wanting to not continue with a corporate employer. That

would give you more flexibility in your personal life. Are you willing to talk about that?

Adam: Sure. Absolutely. It boils down to I had a son when I was in college with a woman who I wound up not marrying and we went our separate ways. We were both young and decided it was best not to be married. Well she moved to Kansas City and I was in Western Kansas where we met at college. So I was a long distance Dad for three or four years of my son's life. Well in that time frame we wound up getting along really well. And she got married and I got married and we became this happy family who did not have any qualms to speak of at all. Well then I had an opportunity with American Family to move to Kansas City and take over as a manager. And in that opportunity, since we got along so well, we wound up moving to the same community. And by the same community I mean we lived 500 yards apart from each other. We don't even know each other, well we know each other's garage codes, we don't even knock when we go into each other's homes. It is kind of like that show Modern Family where we all get along and are one big happy family.

So it was a personal choice. It really was because the fact is with any corporate environment including American Family if I was to move on it was probably going to be a move. That is not fair to American Family and it wasn't fair to me because there were times when they asked me to consider moving on or moving to a different area and take over a different level. And personally that was a deal innovator. And it shouldn't be that way and that is not fair to me and it wasn't fair to American Family.

Michael: So you decided to leave the company and start another company. Is this the first time you have actually started a company from the ground up?

Adam: Absolutely. I have been an American Family agent or manager or working in an American Family office ever since I graduated college.

Michael: So let's get into this. You own about 12,450 domain names. You mentioned that you don't own all the zip codes plus insurance domain names in the United States because there are some that only have two people and some that the Apple Computer Campus down in Cupertino probably has its

own zip code as well so you wouldn't want something like that. How many zip codes are there in the United States?

Adam: There are actually about 40,000 zip codes in the United States. But what that includes is Puerto Rico, military bases, p.o. boxes and corporations. So if you take it down to what is a relevant population it is that 12,500 figure?

Michael: So you only lost 20 of them that other insurance agents had the idea for. So you have got 99% of all the domain names. How did you get a list of zip codes and determine scientifically which ones you wanted to focus on and which ones you didn't want to focus on?

Adam: I think it is actually called zip-codes.com is a warehouse of data that I think they form that data from like the census and things like that. I bought their information. It was very affordable and they have been a great company to work with.

Michael: Okay so any other domainers out there and are looking at this and saying wow I can't believe Adam did this in insurance. I know pet stores, or I know dog grooming, I don't know why I have so many examples of animal related products but they can go out and buy the zip codes as well in the same fashion as you did and then buy all the domain names just buy going into Excel and plugging them in, and plugging in whatever keyword that they want .com and spitting out a list of them.

Adam: That is exactly right and what we did.

Michael: So you spend a lot of money. You mentioned earlier that you were close to breaking even. I'm not sure people understand that. We will put the math down together. This was a big bet. To buy 12,450 domain names costs a lot of money.

Adam: It does, it was about \$100,000.

Michael: At \$100,000 at \$10 per domain name that is \$124,500. You are saying it was about \$100,000. Do you remember what your average price per domain was?

Adam: Yes I paid; I think it was \$7.87 each. When you buy in bulk like that the registrars are willing to work with you. And they still say that they don't make any money.

Michael: I'm sorry say that one more time?

Adam: I said they still say they don't make any money. But I'm sure they make a little bit.

Michael: So did you actually contact multiple registrars before you made this massive purchase?

Adam: I didn't. I just worked with Go Daddy actually. I did my research online and found that Go Daddy was certainly one of the biggest and reached out to them and they were good enough to work with and their prices were competitive and I decided to go for it.

Michael: So did you just go to the home page and click on the bulk tab when it comes to search, plug them all in and hit buy and it came out with the \$7.87 or did you actually have to contact them and say I'm going to make this bulk, how do I do it for the cheapest amount?

Adam: Right. The later of what you said Mike. I worked with an executive account rep. His name was Jared and he actually did a great job with me and funny story about that if you don't mind. Through this process I didn't want to share my idea with anybody. I thought it was a pretty good idea and I didn't want anybody else to take it. So here I am this kid from Kansas City and I want to talk to Go Daddy and Jared was always great to work with but since I wouldn't tell him my idea just that I wanted to buy 12,500 domains. I was always kind of polite but I got the feeling he wanted to get me off the phone. And finally I wired him \$100,000 because he said if we are going to do this you have to wire the money up front and we will issue the domains

for you. So I did that and when he opened up my list I could almost hear him scrolling through my Excel sheet and he said are these zip codes and I said yes they are and he said very clever. And then he quickly tells me about how he is going to register them and how long it is going to take and things like that. And he says do you have any questions? And I said yes. What did you mean by very clever? And he said my friend this is the most valuable portfolio of domains that I have ever seen. And buddy you are going to make a lot of money. The reason I tell this story is I used to be a guy who had no idea and now I'm his friend and his buddy.

Michael: What is Jared's last name? We have to give him a shout out!

Adam: Jared Sherwood. He is great to work with.

Michael: alright Jared. So \$100,000, clearly you can't just...I don't know a lot of people who have \$100,000 on their credit card so you couldn't just go in there into the bulk and place all 12,000 domains and then buy them on their credit card. You had to wire the funds so they knew you were serious. That is some serious bankroll. You know to start a company \$100,000 just for the domain names. Where did you get such a great bankroll to start the business?

Adam: Well I have a lot of friends who have more money than I do. So that was helpful. I did use a lot of my personal savings for this. I own about 60% of the company and I didn't put up quite that much money but I put up quite a bit of it myself. Because I was willing to put up my own money and willing to leave a job where I was making \$150,000 plus I showed that I was serious and what that did was allow other people who knew me to believe in the cause as well. And then I was able to find the extra money.

Michael: It was more than that \$100,000 and clearly you had to do website development. We chatted in the pre-interview you hired an SEO consultant to help with certain things. I'm sure you have collateral like marketing that needed development. There is the salary. I don't even know if you are taking one or not. I am going to ask you about that. There is the marketing budget. You called me just a moment ago, it showed up as Zipsurance, so you have a

business telephone. All these things cost money. Do you have any idea how much total you spent to start the business?

Adam: Yes from a start up amount we were looking at \$150,000 and what that did was that was for the cost of the domains and then to give us some start-up capital for initial expenses. But our expenses run (if you combine the variable and fixed costs) we are running at about \$25,000 expenses a month. So that includes my salary which I want to replace but there were operating marks. But we are about half way to breaking even as far as our salary goes. We are looking at lines of credit and things like that to help us through the early stages of cash flow. But we are serious about what we are doing and what I found is when you are serious it costs money. But with our early results that we are having we should be on pace to get that really soon. And we also have money set aside for the renewal of the domains as well.

Michael: So a lot of planning, cash flow planning, you have got money coming in almost every day or every week for the domains that you are leasing but clearly you have money going out the door almost every day as well. So I think that gives a great idea to other investors out there if they want to do something similar how they need to plan their cash flow. So let me start up a point where you sought all the domain names. You got on the phone with Jared and you bought 12,500 domain names, what was the first thing you did to start the company?

Adam: Well the first thing we did is we needed to form an LLC. So we quickly did that. I used Legal Zoom to do that. It is not hard. I've got an attorney who works with us as well. He is also part owner and he is a great resource so I didn't want to take up his time for something like that. So if you need to start a company it is not as hard as you might think. Follow the steps with Legal Zoom. We registered right here in the state of Missouri. And then I do recommend having a good accountant. Which we have a great accounting firm that we work with. And they walk you through the steps to make sure you are not missing anything because what I was told by agents when I was a manager is there are two things you don't want to mess up on and that is taking money from the company and taking money from the government. So as long as we have those in line we are off to the right start.

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Michael: Alright so you formed an LLC, you have got some partners, you own 60% of the company, how many partners do you have?

Adam: We have five total owners including me. So I've got four other partners.

Michael: So you formed a limited liability corporation in the state of Missouri and all five of you are listed as members on the LLC?

Adam: That is correct.

Michael: And for those of you who aren't clear why that is important you should really seek some legal guidance when you are thinking about starting a business. Adam why is it important to form an LLC rather than just getting going with the domain names and contacting customers and taking in money and operating a business without a legal entity.

Adam: There are a couple benefits and I am not an accountant or an attorney so I will be high level here as they say. From the financial standpoint it gives you some advantages for how you pay your employees and how the corporation is taxed because although we are an LLC you can file a form that allows you to be taxed as an S corporation which is what we have done. So that allows us some tax savings as a corporation. It doesn't allow a tax savings for the consumer the employees like myself but at least it allows us to have some breaks with the government on certain things. And then also just as important as that is you want to protect your personal assets versus your business assets. And if you have an LLC that allows you to separate the two so that if something did happen, heaven forbid, where we got sued or tied up in a law suit our personal assets wouldn't be touched.

Michael: And I fully agree. And those are reasons why I formed an LLC. I've got one. DomainSherpa is a DBA, doing business as under the LLC that I operate so that all the reasons that you mentioned are reasons why I did that as well. You know I'll give a quick shout out for David Weslow who is one of our valued sponsors. We only have three sponsors on DomainSherpa; they are the ones that help pay the bills so that I can bring on great guests like Adam to tell their story. David Weslow specializes in domain names and law

and he knows how to help you figure out what kind of corporation is right for your business, if one is right at all. So a quick shout out for David. So you did your LLC, you got it formed so that everybody in your organization knows how structured the business is. It comes with an operating agreement so you know how to treat the business. What was the next thing that you did after you formed the legal entity?

Adam: Well we sat on them for probably too long and I regret that but at that time I was going through a lot of personal decisions of how do I want to run this, what role do I want to have, do I want to hire it done, do I want to sell all these domains or do I want to leave what is a very good career to go do this on my own. So during that time we sat on them and watched them. We had them cash parked on Go Daddy which is not going to pay the bills but it was generating some money which is kind of fun to watch. And surprisingly as they started building relevancy we started getting astronomically more dollars per month.

Michael: Can I ask you the order of magnitude? Or when you have 12,500 domains which is a zip code plus insurance.com clearly a high cost per click for insurance agents that want it but when I think about it and you are only getting type in traffic, I am ignorant and I don't do any parking at all, so my ignorant assumption is that you are not getting any type in traffic because who is going to type in 98110insurance.com, but you are saying that you were making some money.

Adam: Yes we were and it was small money. It was \$100 a month or something like that. And actually what we got we pennies per click. And I'm not sure how the math works on that. You'd think cost per click would be higher than that for insurance. It was not a lot of money but we got in the last month... We started with almost no business at all but four months into it in the last month we had over half of the sites that were visited. And a click through rate of about I think it was 9 ½ %. So of the sites that were visited somebody clicked on them 9 ½ % of the time.

Michael: That is amazing. It just goes to show I don't know very much about domain names but making \$100 per month clearly isn't going to pay

the \$100,000 in renewal fees that you have per month which is about say \$8 – \$8,500 in renewal fees if you brought it down to a monthly basis.

Adam: Right, exactly. But the interesting piece that we were noticing was month one I think we made literally .60 for all the domains. Month two was \$12, month three was \$40 and month four was \$100. So it was steadily increasing and I don't have an answer as to exactly why that was. It was certainly increasing and if that stays on with those rates of increase for any period of time who knows what it would have been?

Michael: Well it surely wouldn't have been as much as you are getting by leasing the domain names. I can almost guarantee that. So you registered the LLC, you sat on them for awhile... Let me back up to the LLC again because I haven't brought other investors onto a business that I have ever started in the past. Five total investors in your LLC. Did you have an agreement about how those investors were going to get compensated? In other words were they only going to get compensated for the investment if there was a liquidity event like you sold Zipsurance? Or would they be compensated based on the profits of the company in something like an equal proportion into the amount of the company that they own?

Adam: Right, that is exactly what you said with the second choice there. If we do sell of course we will split the distribution of the company evenly based on our ownership. But if we have an election to do a distribution in profits then no one can get... like I can't elect myself to get a distribution of profits and leave everybody else out. So if I get a profit check then they will get a profit check too. But we are probably a year away from that anyway.

Michael: So what was the next thing you did once you had the domain names, you had the entity, you sat on them for awhile and then you decided I need to get going on this business? What did you do next?

Adam: I built a plan and it's a cash flow projection model that I worked very hard on researching what our costs would be. There is that saying out there that whatever you think it is double it. I wanted to avoid that as much as possible. And we are not double what our costs were but there are certainly costs that were unforeseen so you want to build those into your plan. And

then we broke it down to how many of these do we need to sell per day, and I recommend breaking things down to a per day basis so that you could make sure you are staying on your track and from there we built a sales plan on how we were going to hit that. And I work with my sales director. His name is Cord Zucht and we figured out how many calls we need to have, how many touches we need to have on a daily basis in order to generate the traffic that we need to hit our sales.

Michael: So how many sales per day do you need to make?

Adam: We need to make about three a day, is what we need to make. Our goal is to get six a day. If we hit three a day we are going to be okay but our goal is to hit six and we are hitting that so far.

Michael: You are hitting your goal or you are hitting three per day?

Adam: We are hitting three per day. Our goal is again six and we are about half way in-between there. I have the data I just don't know it off the top of my head. And that is per business day too. So we have got 195 leased and divide that by 40 business days so that is how many we are averaging per day.

Michael: So you have got Cord as your sales director so he is getting a salary as well?

Adam: That is correct. I pay him a salary plus a commission.

Michael: So you are dialing for dollars.

Adam: We are. We are dialing for dollars. I found the best way to do it is to reach out to decision makers both inside of an agency. And we are having a lot of success reaching out to district managers as well if we can convince them that our idea has merit then they distribute it out to their 30 agents. So it is one call to distribute it out to 30 and that is working very, very well. The other part of what we are doing is we are doing some online advertising which we haven't got it entirely figured out but we have had a lot of success

from that. Pay per click advertising and we are doing a lot on Facebook and we are starting to do some on Google as well.

Michael: Alright I want to ask you more about that but I have more questions about the dialing for dollars. So you have got you and Cord dialing out to insurance agents. You said you were making about three sales per day; your goal is six sales per day. That is of domain names being leased correct?

Adam: That is correct.

Michael: You may actually call up an insurance agent in my local town and sell that one insurance agent three zip codes for all the outstanding area that is three different sales in your book?

Adam: That is correct. And that is also about \$1,700 in revenue.

Michael: And how many calls do you need to make to close three sales per day?

Adam: Not that many. You would be surprised. If we made 10 phone calls, we are probably going to talk to three people because it is hard to get through the gate keepers. You almost have to thank them for hanging up on you because you know you are that much closer to an opportunity. So if we talk to three people we are going to close at least one of those. And on average they are buying a little bit more than one. So anywhere from 10 to 15 people per day – 15 calls is going to equal that service.

Michael: That is amazing that you have got...couldn't you just hire a whole team of college interns and great your own little boiler room of people dialing out to call insurance agents around the US and close like hundreds per day?

Adam: That is a possibility. Yes. And we are looking into expanding on the sales side for that exact same reason. Yes there is no doubt about it. We wanted to wait until our website was up which I know you and I are going to talk about.

Michael: So where do you get the numbers from? The phone numbers of insurance agents and who to call in those agencies.

Adam: It's all on Google. We've looked at companies that have data collections like Sales Union for example. And not to knock any of those companies but the fact is it is all available if you are willing to work. You can find those email addresses and those phone numbers.

Michael: So I go to Google, I type in 98110 insurance which is the zip code that I live in and Google Places pops up at the top and it says Bainbridge Insurance, Sears and Associates, Bainbridge Agency, Eagle Harbor Insurance and all the phone numbers and all the email addresses and you just start dialing.

Adam: Right, but it would make more sense to us to go to page two and dial on that list because those customers might want our help a little bit more because part of what we do is partner with our agencies to show them how they can improve their listings on things like Google Places for example.

Michael: So when you call them out of the blue who do you ask to speak to?

Adam: Usually the agent. It is a careful process because lots of times you are going to hear that the agents are on the phone. And that always happens. Sometimes we say okay we just want to introduce ourselves. Sometimes we say we would be glad to stay and hold for a little bit. But their job as the front end person that you call is to block sales people from calling on the agent so you have to be a little bit patient on that. What we found is okay no problem if they are on the phone would it be okay if we sent them an email as we just want to introduce ourselves. So we get permission to get their email address and we send a brief email and a link to our website.

Michael: And what does that email say?

Adam: It just says that my name is Adam Hawley, or my name is Cord Zucht with Zipsurance. Mine says I am the president of the company and before being the president of this company I was a district manager for American Family and we have a pretty good idea of how we can drive more

traffic to customer's websites. We only work with one agency per zip code. If you want to know more watch our video.

Michael: Interesting so you introduce yourself, you give yourself a little bit of social proof saying I am in the industry, I know the problems that you are having, do you want more traffic. Everybody wants more traffic. It's exclusive so you have some sort of scarcity there like hey you better respond otherwise one of your competitors may in the area. And here is a video to learn more, and your contact information. And that is it.

Adam: That's it. And I wish them all the best and hope to talk in the future.

Michael: And is that the same thing you would do if you were able to get an insurance agent on the line with you on the telephone?

Adam: If we are able to get an insurance agent on the line chances are they are willing to speak with us. If they are not we want to be very respectful to their time. They are very busy business owners as are we. So what we believe in heavily is if they don't want to talk right then great we'd like to set up a time to talk to them in the future because we have got other things that we need to be doing like making more phone calls. So we are really big on filling up our calendars and our goal is to set as many appointments on our calendar as possible. I think that is a great strategy for anybody who is trying to get into talk to other businesses. People are more willing to set up an appointment with you in the future than they are to talk to you right then.

Michael: But if I look through all of the places for insurance near Bainbridge Island Washington there is seven listed on the front page, there is probably seven or more on the second page as you mentioned. One of those can buy my zip code, the 98110 plus insurance zip code that you own?

Adam: That is exactly right.

Michael: And so you make them clear to you that there is some sense of urgency associated with this.

Adam: Absolutely. And that is certainly what's helped our early sales too or what is going to continue to help our sales. The fact that there is an average of 15 insurance agents in every zip code that we own and we only do business with one it is supply and demand. The price is not outrageous for a business to pay us \$45 a month on average is very realistic.

Michael: Sure well they are probably paying \$1,000 a month or at least multiple hundreds of dollars a month for the Yellow Pages or the White Pages around the area. They are probably paying much more for Google advertising. They are at least paying a couple hundred dollars for the local Chamber of Commerce and that doesn't even cover sponsorship of other events to get the name out. So it is all relative, right?

Adam: Right, exactly.

Michael: How did you get your first paying customer? Do you remember who your first paying customer was?

Adam: Yes and it was pretty easy at first because I left American Family on very good terms and so I have lots of contacts. And I was based in Kansas City and a lot of people knew who I was and so it was blessedly easy in the first few days. We sold out Kansas City in a couple of weeks and they are taking five zip codes in Kansas City. So it went very, very quickly.

Michael: So you started locally, you started with the people that you knew, the relationships that you had and that gave you a nice launch pad.

Adam: Exactly. Exactly. That as our strategy to sell out Kansas City first and then our intent was to expand geographically after that but we changed our strategy about six weeks in and we notice through things like Facebook and pay per click advertising we could get customers all over the country. And spreading these little pods or these little cells and we can expand from there will help us fill in the entire country faster. So that is what we are doing now.

Michael: Let's talk about that. We talked about the dialing for dollars, you start on Google, you type in a zip code plus insurance and it gives you a

whole list of people that you can start calling. You also did online advertising. Did you just use Facebook or were you using Google Ad Words or another option as well?

Adam: Well we were just using Facebook at that time. And the only reason for that, and I do recommend advertising on Google, the only reason was Google wants your site to be completed. And as you know from our offline interview our site just became live on December 1st. So we spent our first two months not having a site. We just had a video that I created. So Facebook allows us to point people to our video but Google wanted a more finished site before they would let us advertise.

Michael: So on Facebook you sign up for a Facebook advertiser account (I can't remember the exact name that they give it) and Facebook is amazing. If anybody hasn't been on Facebook to buy advertising you can specify I want fans of this page. I want people who specify that they are somehow related to insurance. I want men. I want women 35-40. I want somebody who has got an updated picture. It is amazing the targeting you can get on Facebook. Almost scary but it is amazing from somebody that want to buy advertising how targeted you can make it. What kind of specifications did you put on your advertisements Adam?

Adam: Our targeting had to go with insurance agents. What we did was I did some research and found a list of every insurance company registered in the United States. So that list was maybe 100 different companies and I manually had to load them into Facebook. And some of those didn't have a Facebook account, some of the smaller companies. But State Farm, Farmer Bureau, American Family, Nationwide, All State, we loaded all those in. And then Facebook has the option for works at. So that is how we targeted. And there are people who work at All State that aren't insurance agents. So we are targeting some people that aren't relevant to us so what we do then is we try to make sure our ads are relevant to what the agents might look for. So the ads talk about leads and they talk about insurance agents or something like that.

Michael: So it says something like need more leads for your insurance business or something like that?

Adam: Yes my favorite is insurance leads suck. That seems to get the most traffic because well most agents agree.

Michael: And Facebook actually recommends that you put a little picture next to it to draw the eye to it. Do you use a picture?

Adam: Yes we have played around with a bunch of different pictures and people do very well, logos don't do so well. So at first we had out Zipsurance ball logo and we took that out of there. So we find pictures of people. And that was a recommendation of the Facebook team. If you spend enough money you can actually talk to somebody at Facebook.

Michael: And do you buy advertisements on Facebook? You can buy them by cost per click or you can buy them per thousand impressions. Which way do you go?

Adam: Cost per click.

Michael: and what are you paying on average on cost per click?

Adam: About \$2. And it was smaller but in the holiday season it goes up. There is more competition for those spaces. But I've had \$2 per click. Our conversion ratio is about \$50 per lead. And a lead we define as someone who went to our site. Watched our video and was interested enough to either call us or email us. But our closing ratio on those is over 75%.

Michael: Great statistics. \$2 cost per click, \$50 per lead coming to your website to watch the video, fill out the form and closing 75% of them. That is a viable business. People need to look at the entire funnel when they are thinking about doing advertising. So that is a great example.

Adam: Thank you.

Michael: Now you've got a website up and running at Zipsurance.com, not Zipinsurance but Zipsurance, let me ask you let me check, do you own Zipinsurance also for those that mistype it?

Adam: No but I'm thinking about buying it because people do say that.

Michael: Go buy it before this airs because you know somebody else will if you don't.

Adam: Well it's already owned. It's been owned already. Somebody had it. Just like everything else.

Michael: So you own Zipsurance .com and you didn't have a website up. You were able to sell zip codes plus insurance without even having your full website up and running.

Adam: That is correct.

Michael: How is that?

Adam: Apparently the video was doing a very good job. And I want to give a shout out to a company called Elance. Elance is a great company that allows someone like me who doesn't have a whole lot of experience with building videos and websites and stuff like that to put your information out there, what you are looking for and then contractors all across the world will bid on your project and you pick the one you want on your terms, and you pick your price. And I did not pick the cheapest one and I didn't pick the most expensive one. I picked the one that had the most value.

Michael: And may I ask how much you paid for your video?

Adam: About \$800.

Michael: And that seems about right from what I have heard other people paying to produce videos. And Elance is a great site. There are a number of other sites out there as well. I've used Elance to find programmers, to find writers for prior businesses. I think I found an editor on there. You can search by a whole slew of different area of expertise. So you didn't have a website up. So it was basically you cold calling somebody, or emailing somebody and saying here is who I am as we talked about before, here is what we are doing

and here is your opportunity. Would you say that it was getting people on the phone that allowed you to close the deal?

Adam: Yes. Absolutely. But you know again a lot of people started – we've had over 2,000 views on our video. So those 2,000 people it is all about impressions to actions to talking to people. And once we have them on the phone it makes sense. And because we only deal with one customer our closing ratio is very high.

Michael: Do you have marketing collateral that you send as an attachment to the email that you send?

Adam: Define marketing collateral. What do you mean by that?

Michael: Like since you didn't have a website up I was wondering if you had a flier, if you had a prototype of what the website would look like? Like if you had a flier that lists the benefit of Zipsurance, anything like that?

Adam: It was all on the video. The video was probably a little long, some people might say. It is five minutes long, but it explained the details out in the five minute time. But the things you are talking about now are on our website.

Michael: Right, and I've seen them. We've talked about how you determined the least price of the domain names. You look at a bunch of different factors involved with the geographic area. When you get somebody on the phone you called me up and you say Mike here is the opportunity and I say I'll take it Adam. What is your next step when I say I'll take it?

Adam: Right and part of the reason that it has held up back and I don't know how to predict for this planning forward so it is not part of our plan... Well it is not all part of our plan. But lately for the last couple of months we have been emailing them a contract. And then we wait for them to complete it and email it back to us. They scan and email it back. And then we take their information, their payment information and make everything right. We are almost there to where you go to Zipsurance.com you can use our financial calculator and find out if it makes sense to you. If it does you can

choose to buy it. You can put in your credit card information, you can put in your domain name that you want it forwarded to and click submit. And that instantly happens where we are forwarding those domains.

Michael: So you are trying to automate the process so that you don't have to manually create invoices, that you don't have to create contracts, you don't have to manually create invoices that your accountant then has to send to the people that are listed on the contracts.

Adam: Right.

Michael: And you would like to get everything by credit card?

Adam: We would like to. It is easier that way. We are looking at PayPal and Google has a service too and then automatic funds out of bank accounts. But right now most people have a credit card for their business and it seems to be very easy. There is a cost associated with that. You have it built into your plan. But it is worth it.

Michael: So you have the contract coming in, you store those, you give it to your accountant, they send out the invoices and then you have accounts receivables that you have to manage and the revenues coming in. So anything else that entrepreneurs that are thinking about starting a business like this need to be aware of with respect to finances?

Adam: Well I do want to back up just a little bit and clarify, we don't have a whole lot of expense on our accounts receivables side. The venue we use has a recurring billing so it is a subscription based billing and we turn it on and it bills once a month and if it is tied to a credit card we don't have to worry about it. We get an email if something happened to the credit card - if it was declined, or expired or something like that. But we don't have to worry about bills. If you are going to set up an online business stay away from them because tracking people down for money will eat up your time.

Michael: So you want to automate this. And I didn't realize, I thought you were getting the average of \$563 per zip code all at once. But you are

actually breaking it up per month and they are making a \$45 payment per month.

Adam: That is correct. We do give the option to pay annually, we give a 10% discount if you pay annually, but almost everybody is paying us monthly which is okay because that gives us a recurring stream of income. It takes awhile to build but once we do it will be a nice thing.

Michael: Yes definitely. In terms of legal issues we talked about your LLC, we talked about your contracts that you have in place that you are going to move to an electronic contract. We talked about signatures which will be an electronic signature. Your payment terms if you can get a credit card it is just billed on the same day every month and notified if the credit card doesn't go through. Do you own a trademark for Zipsurance?

Adam: We don't yet but that is something that we are looking into.

Michael: So you are looking to file a trademark and clearly you have got use of that brand already so even if you don't file one I think it is called common law trademark. But I was just wondering if you had actually filed one with the USPTO. Do you think that is worthwhile?

Adam: My attorney says that it is something that we could do but just not needed to be done right away because he mentioned exactly what you just said. If you are first to use it then you have rights to it. So that is what we are doing for now. We will file it. We did check to make sure that it wasn't trademarked already before I started branding this way. And it was not.

Michael: Great. So we talked about sales, cold calls are probably the bread and butter of your business?

Adam: Yes that and the email marketing. When we call it is cold calling that generates those emails but we ask permission to email. The agent will give that email address and then we can email them our link. That combined with the cost per click or the pay per click advertising it has proven to be a pretty good thing.

Michael: Have you tried buying a list of insurance agents and contacting them by bulk?

Adam: We considered it through Sales Genie where you can buy list and exploit them there but those services in today's world just have phone numbers they don't have email addresses because it can spam max so we have to be careful of how we get those lists. I have been told to stay away from vendors that sell lists so we have stayed away from there. Any emails we have generated we have generated on our own.

Michael: That makes sense as the safer way to go. And you can get all the phone numbers directly from Google as you mentioned so that is easy. Let me ask you this. How did you pick which geographic area in the United States to start dialing for customers?

Adam: Referrals was actually probably the best way to do. So what we do is we want to work as much on referrals as possible. When we are cold calling we will target an area and we will target St. Louis because it is the next major city closest to Kansas City. But from there we started to doing a better job on referrals. So if somebody from Utah called us and wanted to talk to us about our product we are going to talk to them but then we are going to say the beauty of our product is the most Zipsurance that are out there the more valuable yours is to you. And nobody can take yours. So if you have a couple other people that might be interested in our product...insurance agents know other insurance agents and so they are glad to give us two or three names, and we are working of those lists.

Michael: That is fantastic. That is a warm lead. That is coming from somebody that that person knows and maybe trusts.

Adam: Exactly and on top of that it helps the agent who is now our customer because again the more of these we have out there the more impressions we are going to be driving and that all adds but to better for everyone.

Michael: Definitely. So we talked about the sales process. That you dial them up, you try to talk to them, if you can't get them you ask if you can send

them an email, you send them an email, and you ask them to set up a time to talk. Hopefully they will respond back positively. When you get them on the phone Adam, and they say Adam I get that I can lease 98110insurance.com but I don't think anybody is typing that in. What benefits does that provide me?

Adam: You are right that a lot of people are not going to type them in. People just don't do that very often, except I do. I type in Cabalas or Yahoo or Google all the time but I understand that people don't do that. But our real benefits are what happens when we do show up in a search result? Because our domain is relevant to the consumer I might not know John Smith Insurance but I do know 90210 insurance because that is where I live and that is relevant to me. So what we do is we partner with them and show them how to get their links to show up better in things like Google Places. But once they show up the real magic shines when our customers see the increase in traffic. And it is all because these domains are relevant to more consumers.

Michael: So let me just take that one aspect: Google Places. What if these insurance agents don't even know that they can take ownership of their Google Places listing? What do you do?

Adam: As I mentioned before we have hired a web optimization specialist to do a one hour appointment. We use a technology called join.me and we connect to their computer and we walk them through step by step on how to set up things. For our prices we can't do everything for them but we want to spend the time to show them that we are there for them and teach them how to do this stuff.

Michael: So for the \$563 on average per year lease that includes a one hour set up.

Adam: Correct.

Michael: So the consultant will get on the computer on/or the phone with them and say you are listed in Google Places, this is how you take ownership of your listing and we are going to use your 90212insurance.com zip code in the Google Places so when people search for a zip code and insurance you

show up with a more brandable keyword rich domain name and then you physically redirect that to their website.

Adam: That's correct. In addition to that though, we don't just market to that specific zip code. Let's say that zip code is in San Francisco. So we are going to talk in the keywords about San Francisco insurance or maybe South Bay or something like that. So we want to include other keywords that they might be looking for not just the zip code.

Michael: Where do you use those keywords?

Adam: We put them in the description section of the Google Places.

Michael: So if I threw on one of these listings I do not even see descriptions, probably because nobody has taken ownership of their listing.

Adam: It could be. Right, it could have been.

Michael: You gave me an example of a zip code of an agent that you had optimized and worked with and they are showing up well in the search results. Can you tell me what that was again?

Adam: sure, we have a few of them now that are really having some success but I will just give you one here. If you Google car insurance 64112.

Michael: Okay I am going that right now. And I am looking down the list. The second one listed is 64112insurance.com.

Adam: Yes that is right. That is Kevin Marasco. He is a brand new agent. He has been around since March. I actually hired him when I was a district manager. He is a great young man. He is very sharp and does a good job but his website wasn't relevant at all in the Google searches. After partnering with us we got him up to the number two position. Plus you can see his domain is bold because of the keyword relevance. And his click through rate has gone from 1.8% to an average of 13.8%. He has also averaged of three new accounts per month that he wouldn't have already gotten that came through his website. He wasn't getting any core requests before.

Michael: Not specific to him but what does an average sale make in profit to an insurance agent?

Adam: On average they are going to make about \$100 to \$150 per account. But then they get it again when it renews too.

Michael: So with three new accounts, or four accounts, they can pretty much pay for the entire year of Zipsurance.

Adam: That's right and if you go to Zipsurance.com and use the calculator under why Zipsurance you are going to find that you need about one quarter of 1% of that population for the zip code to get a core from you over a year's time. And then have a respectable closing ratio of about 10% and \$100 commission. And our service makes sense.

Michael: I love this. This has given people the nuts and bolts of what they need to look at in their own industries. If they are thinking about buying 12,000 zip codes plus whatever keyword they want and figuring out how much they can make per lead for the customer and so this is how you do all the insurance. And if I look at Kevin Marasco listing, I clicked on specific entry in Google Places and I can see the categories: auto insurance agency, insurance agency, life insurance agency so those are some of the keywords that you helped him enter into the system which may or may not have moved him up the ranking. But being listed number two for a brand new agent is a great result in Google Places.

Adam: Right. And I don't think anybody really knows their algorithm but another interesting thing there has got to be well over 1,500 insurance agents in the Kansas City metro area and if you Google Kansas City car insurance there is no way that he belongs on the front page of Google. But after our services and the clicks that he is getting for some reason he is up there. He is the number seven position on the front page of Google.

Michael: That is great. So those are three of the benefits that you are offering. I had also watched the video and it seemed like you were going to

use the Zipsurance brand to gather leads as well and then route them through to the zip code owners or leasers in the future. Is that correct?

Adam: Absolutely. Absolutely. What we want to do is we want to talk about the value of a trusted insurance agent to the consumer. There are a lot of messages out there about how insurance has become a commodity. And admittedly you can go and buy insurance anywhere you want to online but the fact is you don't know what you have is you haven't talked to somebody about it. Unless you are an insurance professional you are running a risk of not knowing what you have and chances are not going to find out unless you are in a bad accident or have a serious loss. So we do believe in that value and those are the things that we talk about. We talk about how it could be a nightmarish process for a consumer to go put their information in and the next thing you know you are getting calls at all hours for the next week of people trying to earn your business. We talk about how we want to do business, the way the consumer wants to do business. If you don't want to put your phone number in don't put your phone number. We want to break down those barriers to start a conversation with one of our agents.

Michael: Adam I just looked at the clock and we are over an hour. Do you have five more minutes for a few more questions?

Adam: I sure do.

Michael: I appreciate that. So we talked about a ton of benefits; they get the zip code lease for the year, redirects, they get the one hour consultation which helps them with the Google Places, they own the lease that you are going to send them by doing branding and lead generation through another way. Will you in the future help them any other way through any other services that you are thinking about in the future?

Adam: That is a possibility. You know agents in today's world are very busy people. And if we can help them do other things (for example maybe they want us to manage their Facebook page for them, maybe they want us to do some email marketing, or maybe even be a call center for them to follow up on leads for them) all of those things if we can do it to scale and save them money then those things make sense. And I would say that from our

perspective it is a huge opportunity because as we build this giant network of insurance agencies who are paying us \$45 to \$55 a month. That gives us opportunities to build trust and relationships to add those others services which really gives us a leg up to expand.

Michael: So it's given you the foundation by which you can offer additional services and maybe even products in the future to agents based on their needs and what you are hearing in the industry.

Adam: Absolutely.

Michael: so what do you say to the people that are saying Adam you are building your business off of Google Places and Google is going through a law suits, maybe they will close down Google Places next year? Are you worried?

Adam: Do you think they will close down Google next year?

Michael: What about Google Places? The anti-trust we had Colin Page on here who was talking about Google moving things down. I personally don't think Google is going anywhere. They talked about it back in 2000 how Microsoft was in all those anti-trust issues and people were saying Microsoft is going to go away. Microsoft didn't go away.

Adam: Right and I don't think Google is going to go away. Mainly because all of their services for the most part are free to the users and it is pretty hard to have an anti-trust suit if your services are free. But that is a good point and if that comes up we are going to have to think of other ways. And I'm sure that there will be other opportunities that pop up for us to get our messages out there. We also work with Bing and Yahoo and we showed them how to change their basic listing on the Yellow Pages to use these domains as well. But that is something that we certainly have to address.

Michael: Let's talk about stickiness. You haven't come up with renewals for any of your customers yet, you haven't hit the one year time period where a customer will decide whether they want to continue with your service or give it up. Do you think that the leasers of the domain names that you own are

going to continue and for what reason do you think they are going to continue?

Adam: Well first of all, our mission is to help them corner their market. So we have to deliver a service that they want to renew. Otherwise you are right they are not going to renew it. So we have to continue to get better and better all the time. Through that I believe that the agents are going to want to spend some of their own money branding their own domain. Well if I am an insurance agent in the community that also has 1,500 other agents I'm not going to let go of a domain that I have worked hard to brand in my community as it is. As they get their links out there on Yellow Pages and Super Pages and Google Places and Facebook if that link suddenly points to the competitor down the street that might be a bad thing for the business that used to be our customer. So because of that I think we have some natural stickiness to our business as well.

Michael: So the final question is this, Adam. Actually, before I ask you the final question...let me ask you this. Why are you being so open with all of your business information? And don't get me wrong, I love it. You have provided so many details about how you started the business and some of the mistakes that you made and how you just sat on the domains for a number of months before you did anything with them. It is fantastic information, really tactical. We have talked to other domain investors that if you want to start this business you better have somebody who is not afraid to get on the phone, to face the rejection, to face people not letting you get past the gatekeeper but that the rewards are there. Why are you being so open with all of your business information?

Adam: First of all it is part of my personality probably and just I like to share information and I hope that I didn't share anything dangerous to my business which I don't believe it did. The fact of the matter is I'm a learning entrepreneur. I do have goals and aspirations and a passion inside of me to be better, but there are other people out there that are in my position too. And if I can help someone else then I have a reward as well. Additionally to that more specifically if somebody else goes and buys zip code taxes, or zip code accounting or zip code real estate in a way that helps out business too because it validates what we are doing in our industry. So I have no problem

with that. I encourage it. If I had \$1,000,000 I would have bought 900 industries. And we didn't have that much money. I don't mind sharing the story. I think it is a good story. Copy cats are a possibility but nobody can take away the fact that we own Zipsurance domains.

Michael: And I appreciate you sharing all the information. I think it is a fantastic story which is why I asked you to come on here. So let me end with this: What advice do you have for someone who is an expert in an area, like you are in insurance, who thinks that this business model might work for them. Take, for example, zip code and doggrooming.com. What advice do you have for them before they get started in the area?

Adam: A couple of things. I would say that you need to be involved heavily with it especially in the early months. That was a decision I had to make. What role do I want to play in this business? I don't believe this business would be as successful if I was not on it 24 hours a day. And it literally is 24 hours a day. It is not that I am working all the time but I am dreaming about it when I am asleep. So make sure you are heavily involved and make sure you are passionate about what you are doing. If you see an opportunity to help people they will want to be your customer. And because we are working on the zip code basis it can be exclusive which they also want. So do your planning, do your due diligence. Have the plan in motion before you go buy all the domains it will save you four months worth of lost time. And just run, never give up and hit your plan on the activity level. If you do the activities the results will come.

Michael: If you have a follow-up question, please post it in the comments below and we'll ask Adam to come back and answer as many as he can. If people want to follow you Adam are you on Twitter, do you have a blog, anything like that?

Adam: Yes actually we do have a blog, you can go to Zipsurance.com and see where that blog is. We have a Facebook fan page, you are welcome to follow us there. My email is AdamHawley@zipsurance.com you are welcome to email me there as well. And we have a Twitter account too which I probably need to do a better job posting to but it is zippingceo is my Twitter account name.

Michael: And people can, I believe you can tie a Twitter account to your Facebook so you only have to post in one or maybe it's the other way around, I'm not sure.

Adam: Yes we have done that. I'm going to urge the audience, as I always do, if you received value out of this interview, please go out and find a way to say thank you to Adam for this. He spent a tremendous amount of time today plus the post interview that we did last week so I could get a better idea of what questions I should ask Adam on your behalf so that we could all learn a tremendous amount in the hour you spent with them. Reach out and say 'thank you'. It's a way that you can start a relationship with other entrepreneurs and that will allow you to maybe be able to ping them and ask questions, form a group, share what you have learned. So I urge you guys to do that. I'm going to say thank you again right now by mentioning Adam's website at Zipsurance.com. Or go to any zip code like 98110, my zip code, insurance.com and it will redirected to Zipsurance.com if they don't have a website up and running for the site already which is smart.

Adam Hawley, thank you for being a DomainSherpa, sharing your story, and helping others become successful domain name entrepreneurs.

Adam: Thank you Mike. It's been a pleasure, I really do appreciate it.

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

Watch the full video at:

<http://www.domainsherpa.com/adam-hawley-zipsurance-interview>