

[Tutorial] Know Before You Buy: Domain Name Due Diligence - With Bill Hartzler

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When you buy a used car in the United States, you typically purchase a CARFAX report for about \$40 that tells you the history of the vehicle. CARFAX helps you avoid spending tens of thousands of dollars on a car with costly hidden problems like undisclosed accidents and tells you how it's been used in the past. You can find similar data on a high value domain name you're thinking of buying – we'll tell you how on this show. Stay tuned.

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

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Michael Cyger: Hey everyone. My name is Michael Cyger, and I'm the Publisher of DomainSherpa.com - the website where you come to learn how to become a successful domain name entrepreneur and investor directly from the experts.

When you buy a used car in the United States, you typically purchased a CARFAX report for about 40 dollars that tells you the history of the vehicle. CARFAX helps you avoid spending thousands or even tens of thousands of dollars on a used car that has costly hidden problems, like undisclosed accidents, and tells you how that car has been used in the past. You can do the exact same thing with domain names.

You can now buy a report that tells you the history of a domain name and helps you spot issues that could reduce the value of that domain name. But this show is not about product placement for a vendor. Instead, we are bringing on the Founder of that service, who will walk us through exactly what he does to check the history of a domain name and we are going to show you on-screen how he does it. I would like to welcome to the show Bill Hartzler, Creator of the service called Verified Domains at Verified.Domains. Welcome, Bill.

Bill Hartzler: Thanks, great to be here.

Michael: Bill, in addition to being the creator of Verified Domains, you have a background in search engine optimization. Can you tell us a little bit about that background?

Bill: Sure. Just to go through, I mean back in the mid-'90s, '95 and '96, I was actually coding and creating my own sites and doing some affiliate sites as well. I mean I had a daytime job as a Webmaster at a telecom software company, and so that used my sort of web expertise to basically create sites and get them ranked. I mean back then, it was Alta Vista and Excite were the ones driving traffic, and so basically creating content and messing around with pages and titles and the keyword density of pages to get those ranked.

There was also some promotion about going to other message boards to drive traffic over to whatever pages you wanted on your site. So, I have been doing that for a while. I was in-house at a company for several years. Then kind of moved out into the agency world and providing SEO services. And more on the technical side of things, driving traffic, but also fixing sites and dealing with server issues and so forth.

Michael: Yeah. I have been in the SEO industry since probably about 1998 or so, and I did not first know you through the SEO industry. I first discovered you and met you through the domain name industry. Are you a domain name investor as well as being an SEO expert?

Bill: I am. I mean I am kind of unique. So, I actually sold my first domain probably, I believe, around 1998. I had owned it two years. I had kind of developed the site. It was HotResume.com. Back then, we had HotJobs.com. It was a place you go to get job listings and search for jobs, but I had HotResume.com, ResumeDatabase and so forth, and then I ended up selling that. That kind of gave me the domain bug.

Then I have actually, for years, been really buying domains for SEO value. So, it kind of started where I would take a domain and dig into and find domains that had traffic already, so I did not really care about the name per se, but then over the years, say, past five or ten years or so, I have been looking for more better, solid investments in domains, which are more keyword rich and more looking at the domain because it is a good domain, not necessarily because of the SEO value.

So, over the years, I would basically find domains that had one hundred thousand backlinks and had traffic, and basically just buying the name. You could develop it and throw a blog on it or so forth. So, I have always been more of a domain investor, buyer to develop, not just to buy a name and park it. I do have names that are still parked with those different overall values. Essentially, at some point, I would like to develop it and all those grand ideas, but in fact, I probably own more domains that are actually developed and have content on them than I do that are parked.

Michael: Wow. How many domains in total do you have?

Bill: I would say it has gone back and forth. I mean I have owned as many as eight hundred and gone down to as few as one hundred or so, so it has varied back and forth.

Michael: Yeah. All right. So, let me start this conversation, Bill, by asking you this. Why is it necessary to verify a domain name prior to purchase?

Bill: I want to start off. There is really two reasons here. You have a domain name that if you were just with your plans and you were going to basically use it as an investment and it is a good name and you do not have any reason to develop it, then, in that case, you probably do not need to do any due diligence on the name, except for the fact that you would want to verify that it is not a stolen domain.

So, if you are going to actually develop it, use it as a brand, use that as a real site, even it is just to kind of put a blog on it, you are going to put recipes and get social traffic to it, fine, but you basically really need to do some due diligence and check out what is going on with the domain before purchasing it, only because I have seen some really nasty things happen to people who have bought domains, thrown up a site, and immediately it is banned in Google or it might have a lot of traffic, but a lot of bought traffic.

There are a lot of things you can kind of spot at this point and fairly easy with all the tools out there.

Michael: Yeah. Okay, that makes sense. So, if I am going to buy a high-value domain name and I am going to develop it, I want to make sure that if the owner is promoting it, let's say, on on a marketplace - I will not name any marketplaces and saying it is getting five thousand visitors per day, you want to make sure that that is real traffic, and you are going to tell us on this show how to do that.

Bill: Yeah.

Michael: You also want to make sure that it does not have any search engine penalties, that it is not being blocked by Google or Bing, or others like that. And that it could have been used in the past and somebody, either the owner or a competitor, might have like created a link spam campaign and there could be a bunch of bad links, or there could be a bunch of useless links, like if I own a domain name, Widget.com, and I want to sell Widgets, but somebody was using it for bicycles, it is going to have a bunch of links coming in that do not match what I want to do with it, and I need to know and evaluate whether it is going to be an issue or not.

Bill: Yeah.

Michael: So, those kinds of things are the due diligence that we are going to talk about today. But more importantly, whether it is development or investment, in your first scenario, you want to know if it is stolen or not, and it seems like every week there is another report of a domain being stolen, and I just cannot understand how these domains get stolen. And I every time I hear about one, I try and dig in and, if I know the domain owner, I try and reach out to them and ask them how it got stolen.

And sometimes they say it is email. Sometimes they say that their records at the registrar were tampered with and the registrar did not do enough due diligence on somebody that requested a change to the domain name. There is a host of reasons, but you can look at the domain name that may be purchased from somebody that you do not know and trust and there are some telltale signs to determine if it has been stolen.

Bill: Yes

Michael: Okay, awesome. So, clearly a stolen domain name. Is that the most important one, because you cannot undo a stolen domain name? Like if I buy a stolen domain name and then somebody wants it back, I lose my money and I lose the domain name, in some cases, right?

Bill: Yes, in fact. So, that is probably one of the areas. I mean it is kind of an evolving space because basically what I have found is that there are guys who steal or people who steal domains who are really sloppy, and so they will basically steal the name and put it in their name. And so, as a current owner, it would be obvious who now owns it and rather than doing some kind of a privacy on the WhoIS.

But what will happen more frequently is the person stealing the name will make a record of who owned it before and basically go into the registrar and make it look like that the domain has the same ownership as it was previously to kind of hide their tracks.

Michael: Yeah.

Bill: And so, the WhoIS record really did not change. However, there are some signs I have noticed in looking at certain stolen domains. There is an EPP Code status from ICANN that will show up in the WhoIS, and so you would want to then sort of investigate to see if a transfer had occurred.

Michael: Great. All right, and we will get into all those individual steps when we get into the how-to tutorial. Let me ask you this. You cannot fix a stolen domain name, but can you fix a search engine penalty, link spam, or an email blacklist? Are those things that can be overcome?

Bill: Yes, all of those things are fixable. The only things that are probably not fixable per se would be two things. Trademark issue and, in this, you definitely would want to a trademark search. Make sure no one has a trademark on that word. Then also you would want to look at the UDRP history to see if there is any UDRP history on that. So, there are certain names out there that you see several times over and over again. Have had UDRPs on them, even though the current owner may have dodged those and won every time.

If you buy a name that has a history of several different other companies filing UDRPs over and over and over again, you are probably...

Michael: You are setting yourself.

Bill: Yes, exactly.

Michael: So, yeah, good to know. So, we will run through those two as well. I know this is a relatively new service. How often do you find a domain name that has issues and what kinds of issues have you found?

Bill: Well, basically I did fairly recently a portfolio review of six hundred names. Domain investor, and he just basically wanted to just check out them. So, when a buyer comes and says they were not sure about buying the name, he could then throw out there hey, well, the domain has been verified. It is clean. It does not have any history issues. It does not have any link problems.

It does not have any kind of problems at all, so you can have some peace of mind there.

So, out of those six hundred domains, there were actually about 25 to 29 or so that I would not verify, that actually had problems. So, it just so happens to be that his particular portfolio. I also recently pulled all of the current auctions on GoDaddy, on SnapNames, and NameJet.

Michael: Oh, that is interesting. What did you find?

Bill: I went through the process for every single, so it was two to three thousand names that were up for sale at that time. And just remembering on the top of my head, about 11 to 13 percent of those were on SnapNames and NameJet; basically had former sites on them and they had really bad link spam problems. And so, you would want to actually clean up those links that were basically spammer's domains, spammer links.

Michael: Yeah. But if I understand what you were talking about earlier, that if I was just going to buy that domain for investment, I would not necessarily be as concerned about the link spam. And why is that?

Bill: Yeah, basically you are not going to develop it. Theoretically, if you go park the name, there could be actually some traffic there, whether it is bought traffic or whatever. So, there could be traffic to it from a previous spammer sending traffic that you are not sending and you could benefit from having it parked in that case, but you are not going to be developing it. You are not going to want it to rank in the search engines.

Michael: Right.

Bill: You are probably not going to use it to send out email campaigns and you are probably not going to use it on social or anything like that. You are not going to really use it. You are just basically going to have the name and park it, and wait for another buyer. And whether that buyer comes in three months, six months, or ten years from now, that is a plan. So, you do not really have to worry about going through and checking out the domain.

Michael: I understand. And would something like a domain having link spam or having a search engine penalty or being on email blacklist - would that fall off after a certain amount of time? Would those penalties go away if I buy the domain and park it for, say, a year?

Bill: No, they really actually never, ever go away and it turns out that that can be a good thing. It can be a bad thing. Like links, for example. It was a domain that was originally a live site 15 years ago and it had links back then. Those links, if those still exist, maybe it expired and nobody registered it for ten years, but then you actually grab it. If it had some good links to it and you basically turn it on and started using it, those links are still there, so you are going to actually benefit from that.

The same thing with the opposite. If it has some bad links from previously, like I said, it could be good or bad depending on the situation.

Michael: I understand. And so, it sounds like you did the analysis for an investor that had six hundred names. You ran this analysis on two to three thousand names on SnapNames and NameJet and GoDaddy, and it seems like this would be an automated process of yours. You dump in a bunch of names and it spits out a report. Is it an automated process or is it a manual process?

Bill: So, it is kind of two whole things. I mean yeah, you can take the names and you can put them in different tools using APIs and pulling the data, but you do have to kind of look at the data and make a decision. So, the easy part is pulling the data, finding where to look and to pull the data, but again, you kind of need some experience in saying okay, is this a good link or a bad link. In email blacklists, the domain is either on the email blacklist or not. It is fairly simple. That is a no-brainer. Same thing with the trademark. They are easy. They are a live trademark or one in the past that is now dead or something.

Michael: Yeah.

Bill: So, when you are looking at a stolen domain, you are looking at the WhoIS. You can certainly look and Domain Tools will look at changes and show you changes, and you kind of need to look at it and make sure and

determine. And there, it is to verify. Picking up the phone and getting a hold of the current owner or the previous owner to see what is going on to see if it is stolen or not is obviously a manual process. Emailing, picking up the phone, and calling.

Michael: Yeah. So, if I was buying a domain that was ten thousand dollars and I paid you to go through this process, how long might it take you to run through a full report on a domain name that is clean, but maybe has some signs that you need to investigate? How long could it take you to run that report?

Bill: Yeah, typically several hours to go through the data, and as we in a few minutes will go through kind of the process, the process is to kind of start on the high level side and look for certain signs. And then, if, for example, you spot that it might have social media traffic, you start looking and investigating a rabbit hole on social media, or sometimes you start off the high level and then you start digging in, in there.

And like I said, in some cases, it is very easy. It is done. It has been a parked domain. It has been parked. It has no links. It has not archive history. The WhoIS record has never changed in ten years and everything looks fine.

Michael: Yeah. So, we will get into each of the systems as we go through, but if you were to just list the different software applications or websites that you use, can you run through them just at a high level?

Bill: Yeah, at a high level. So, the first thing we would do, not necessarily all in this order, but we would look at, for example, Majestic.com. Majestic provides link data and they update every hour, and so you have really good, fresh link data. Ahrefs. Another link data. Moz's open site explorer also. SEMRush. There is a series of tools. SEMRush. SpyFu. SimilarWeb. Those types of tools will basically show you traffic and maybe where the traffic is coming from, but SEMRush and SpyFu primarily focus on whether or not it is organic traffic or whether it is paid AdWords traffic.

Michael: Yeah. All right, that is a lot of tools.

Bill: Then we have Domain Tools. NameBio. I mean FormerPricing. Archive.org. Blacklist. Trademark search. I mean it goes on and on.

Michael: All right, I am trying to write down as many as I could. I think I got them. So, clearly I am looking at this list and many of which are SEO, SEM, online marketing-related tools, and I have heard of them. The audience probably has not heard of them, but you are familiar with them because you have had ten plus years of experience, building websites and getting them ranked, and then analyzing them. So, this is going to be not a tutorial on each of those tools. We are just going to pop in. You are going to show us the areas of that tool, because a lot of these tools are pretty broad that you use for analysis and doing the due diligence on domain names.

Bill, if you were total up your monthly credit card bill for all of these services that are paid for services, what would that run me per month?

Bill: Probably looking at about two or three thousand dollars per month for everything.

Michael: Wow. All right. So, at this point of the interview, Bill, we are going to share your screen, so I get to see what you are doing, and then the audience gets to see what you are doing as well. And as I ask you questions, and we are going to run through a few examples to determine if a domain name is stolen, has search engine penalty, has link spam, blacklist, trademarks, and all that sort of stuff. All right, so let's flip that over.

Bill: Okay.

Michael: I see myself on screen. We need to move that off. All right. So, the first thing we will do is let's take a look at a stolen domain name, Bill.

Bill: Yeah, so this one I have. It was around the forums and so forth. The message boards out there. People were saying hey, we know this one is stolen. So, this one, this guy was pretty sloppy, but I am going to go through WhoIS at DomainTools.com. It is RIC.com and I do have an account. So, it will ask me to look at the WhoIS history. We will look at the WhoIS history

and then start kind of with some changes, and this basically allows me to browse one record versus the other.

Currently, the name has been, I believe, given back to the owner, but as you can see here, there is actually a sign that it was transferred and an EEP code was use, and so on ICANN.org, the current domain status has /EPP. And so, basically, since there is that, that is kind of a sign at some point I believe that there was a domain transfer done. What I am finding is domains that have never been transferred to a owner, this code never shows.

Michael: Yeah, so great point. So, if I am saying I am selling the domain, DomainSherpa.com, and I have owned it for ten years, but you go into the Domain Tools and you see that it has a domain status that says client transfer prohibited, that flag only gets set when it transfers between owners or from registrar to registrar.

Bill: Specifically on where it says ICANN.org/EPP. So, EPP is actually that transfer code, the authorization code to do a transfer. So, different registrars will have the client transfer prohibited set, but in this case, it is ICANN.org/EPP, and that is referring to the EPP authorization code.

Michael: I see where you are saying.

Bill: But if we go back the last times that they have looked, in the last several days we have not seen any changes, and I am going to go back. There was a change though from here, where the guy who stole the name, Richard, then it actually finally transferred to the new owner. But if we go back even before that, this guy, Richard, owned it for a while and I was just browsing through. And so, some of the changes happened where we went from the domain was actually at Network Solutions and then this Richard person transferred it to GoDaddy.

He was the guy who apparently stole it. And so, if we keep on going back, there was at Network Solutions and this Richard guy did not own it, and then it transferred. So, it went from this. So, there are a couple different things that have happened, so most domains, like you said, do not have any highlighted information. And in this case, I do know that apparently this Richard guy had

hacked in. He did it by email or something. Went into the account and had changed it, and then later on transferred it, but there were changes and we got into other changes.

There are literally hundreds of changes that happened. You kind of just follow the trail and see who owned it before and who it went to and so forth.

Michael: This is why I love doing tutorials or seeing how other people use tools when I am at a conference, because I have been a Domain Tools user for years. I love their service. I probably use it almost every single day, and I do a lot of WhoIS history lookups using their service, but I have never used side-by-side changes and gone back in time like you are using right now and it is so easy to see the changes because they are highlighted. I must have known about it at some point because it looks familiar now, but I have not used it like this, so that is a valuable aspect of the Domain Tools.

Now, is that the main way that we learn how a domain name might be stolen, Bill, or are there any other telltale signs?

Bill: No, basically, at this point, I just personally like to go through and see and browse through. And the other signs basically would be to, if we really want to verify it, I would actually call this Richard person up and then call the former owner and see what the story is.

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Michael: Now, let me ask you, because there are a lot of domain flippers out there. They make their living by buying clean domains at a bargain and then turning around and flipping them within a month or two for a profit. And if I got approached by one of those people, saying I have got this domain name. Great single-word generic. Would you like to buy it?

I could lookup in Domain Tools. I could pay for an account and look it up and determine that they are the actual owner, but if I wanted to verify it, I would have to call not the current owner that is offering it to me for sale, but the previous owner and verify that he or she sold it to the current owner, right?

Bill: Yeah, so I was kind of still flipping through. As you can see, just literally some of these hundreds of cases.

Michael: Yeah, archived records.

Bill: Records. So, yeah, definitely, and then the other thing is, is that I wanted to point out that particular guy who basically went in and I understand he used email, and so that domain was available, so he went and bought the name and then got a hold of the email address on that domain, and then basically transferred it by email to himself. In a lot of cases though, that is kind of rare that he would not cover his tracks.

In a lot of cases, what they will do is they will go through and look at the previous owner and they will create a new account at the registrar and put their account name in the same previous owner as before so that when you are browsing through the WhoIS record, even though there was an account change from GoDaddy account to a GoDaddy account, the WhoIS record did not change, so it still looks like the person owned it from before, and so they kind of really try to cover their tracks.

In some cases, it will not be. You really have to check with the registrar and only the registrar would know whether an account change was made.

Michael: Yeah. So, here is a perfect example. We have only gone through one tool and you can see the data alone is not one way to determine if a domain is stolen. This is the kind of case where the data is being reviewed by an expert to see those subtle changes. Everything else remained the same on the WhoIS record, but it changed accounts at the same registrar could be flag that you would pick up on and say okay, I need to dig a little bit deeper and I need to make a phone call and I need to verify it, and I need to call the registrar potentially and verify.

So, completely understand. Anything else regarding stolen domains that you wanted to touch on, Bill, or should we move on?

Bill: No, I think we should move on.

Michael: Okay, let's talk about fake traffic, because fake traffic bugs me. People often say I have got so much traffic or you visit certain marketplaces and they say here is this website and it has got one hundred thousand visitors per month, and I am a publisher. I know how hard it is to get one hundred thousand visitors per month, so my BS meter just goes up. Do you have an example of something that we can use to verify traffic on?

Bill: Yeah, so you had thrown me a domain before, which is a Flippa auction.

Michael: I did, and so let me preface this. I love Flippa. I go there often because I am an entrepreneur and I always try and look for undervalued assets or assets that I might be able to add my core competencies to, to develop into revenue, more higher revenue producing, and I ran across one website that was an editor pic. I sent you a link. And we do not need to go over the exact site, but it said site with 96 thousand, 464 thousand uniques per month, making 254 dollars per month. And it was not the dollar amount that I said I am going to call BS on. It was the 96 thousand unique visitors per month, 100 thousand basically.

So, I shot that over to you, Bill, and I said almost 100 thousand unique visitors. I call BS. What do you think?

Bill: Yeah, so there are a couple tools. These are actually free as you can see, like SimilarWeb, for example. I am not logged in. And you can get some data. There are third party. You can trust their data pretty well, and they will show you where traffic is coming from. This particular site was EasyRecipeDepot.com, and in the case, I did put it in. Yeah, it looks like the traffic is different. This was in July. They say 15 thousand visits, which is far off from that 98 thousand.

Michael: Yeah.

Bill: So, what is interesting is if it was fake traffic or bought traffic, the traffic would primarily be from all over the world. This is actually the case where it is 90 percent of the traffic apparently is from the US, and so in that case, there is probably a better chance that it is not bought traffic. You could say.

Michael: Okay.

Bill: As we go through traffic sources, we see direct traffic is low, but actually primarily where that traffic is coming from social and this is social traffic. Only a fairly small percentage from search and so forth. So, it looks like they do not have enough data in this case, but there are facts. This kind of leads me to believe okay, let's start looking at social, and that is kind of as far as the high level, but SEMRush will do the same. SEMRush will basically show you how much traffic it is getting from organic search versus paid search.

So, in fact, if we go to the organic positions, we can actually see the traffic. It says, even as far as September, not a lot of traffic. This is primarily Google search, but some of these are ranking. So, Texas pulled pork, for example, on the first page. Baked bone-in pork chops. And so, it is not really a lot of necessarily links. I think this was showing a small amount of links. So, this was kind of the case okay, let's look at the social traffic, and so BuzzSumo is a tool. I am looking at the Pro version, but basically you can put in the

domain and you can actually see that yeah, for this one particular recipe on the site, which was one recipe, it did well.

It got 27 thousand shares, and then there is two. One is six thousand and one with about one thousand shares primarily on Pinterest.

Michael: 27 thousand shares. Does that seem like BS to you? I am not on Pinterest at all. I do not even have an account, so I do not understand that versus Facebook. I understand Facebook, LinkedIn, and Twitter, but Pinterest is all about pictures and people want to share.

Bill: Yeah, the average demographic is female. My wife is on Pinterest just because she looks for recipes. She looks for primarily actually recipes and kind of home decor ideas, but like I said, for food recipes this was primarily. So, it appears that this traffic, this 100 thousand traffic is coming from Pinterest. One particular recipe on the site and one particular URL on the site. So, overall, investing, the traffic is from one primary site source, Pinterest and that it does look like it is to one particular page.

Michael: Yeah. Is there a way that a bot or a series of bots on Pinterest could have like reshared a certain recipe 27 thousand times?

Bill: Yes, very much so. So, this would be kind of one of those rabbit holes you look into, but you would want to actually look at the shares and look and see. For example, we can actually see who shared it, and I would actually then go to Pinterest and see who actually was sharing it and see how many followers those particular people have. And yes, it is very easy to create accounts. I can create 30 thousand accounts. It would take a couple months, but then like I said, it could be possible to fake the shares, but not necessarily the traffic.

Michael: Yeah, exactly, and especially because the traffic on SimilarWeb was saying that most of it was coming from the United States, although it was July traffic and not September or August traffic.

Bill: Yeah, August.

Michael: I do not know, so it is just something to be aware of. Great.

Bill: Yeah, so I mean it does add up. It is a good start on that site. And as an investor buying a site like this, my questions are: okay, who is going to continue to provide recipes, continue to provide this content, and who is going to have the ability to share it and get even one thousand shares or six thousand shares on a regular basis to get that traffic to keep on going? They may continue to share, but like I said, you need to continue to have decent content and create it and so forth.

Michael: Awesome.

Bill: And so, there is not a very long history of sharing. This was originally posted though back on December 3rd, so it actually took at least six months. Actually we are now nine months or eight months to get those 27 thousand shares. So, it does look like it is continuing. You can go in and dig into this particular recipe and see, for example, what months it was shared and if it continues. And like I said, you can really dig into this data.

Michael: Yeah. Yeah, all right. But that gives the audience an idea of what to look for and what they might want to follow up with once they start to dig down that rabbit hole, as you said, and that is why these analysis can take three plus hours. Here is just one example of a website. Not necessarily a domain name, but they are claiming traffic and you need to go through a series of websites to verify it.

Let's talk about search engine penalties. For people not familiar, if you are a bad actor on the web, you use a domain name that ways that search engines do not like you using, you are spamming with it, you are trying to cloak your web pages to show one thing to one people and another thing to search engines, they will actually ban you from their search engine, and it is called a search engine penalty. So, they could either completely ban you or they could assign a penalty that basically removes you from the active listings.

How do you determine and what is a good example of a website that has been banned or has a pentalty assessed to them?

DomainSherpa.com: The Domain Name Authority

Bill: Well, it is kind of difficult now because sites that are - typically, from an SEO standpoint, to be able to see if the site has a problem, basically you would go and type in Google site:TheDomainName.

Michael: All right, good. There are no results for that.

Bill: Yeah, so they would not have any kind of matching and they would not know anything about that particular name, and so, in fact, in this case, there are probably even no mentions of this name anywhere. And so, it has been completely removed and there are not any mentions at all, and so we know if that is the case. Even a case where a domain has been parked, there will be at least some mention of that name, even on a WhoIS. Sites that get indexed or so forth, and so that is one way.

The problem is that now if a domain is simply parked, Google recognizes that and they will completely remove it from the search engine. Let's see an example of that. So, TheaterTickets.com actually now does.

Michael: It looks like a WordPress site.

Bill: WordPress site. WordPress on there now, but in that case, there are not many results. I am trying to think off the top of my head of a domain that was parked, but yes, like I said, that would be one way to start investigating in Google and we would want to also go to Archive.org and look up, for example, the history of that particular name to see what was going on. So, this EasyRecipeDepot. They do not really have any information about it, which is kind of odd. So, it has not been indexed. It has not been anything like that.

I know that TheaterTickets.com, actually for a long time, was parked and it had a site on there at one point. We can look back at the history, back even in 2000, and what it looked like back then and kind of see.

Michael: It was parked.

Bill: Yes, it was just parked. There was not really anything. The same thing. I mean it was probably then a theater ticket site and so forth.

Michael: Yeah, but here is a great example. You can go back to 2008 and see that it actually was an operating website there.

Bill: So, looking at Majestic.com, they have the site explorer, and just quickly, these are the two numbers I look at. How well trusted that particular site is. Basically it is 1:100. It was the old kind of page rank formula. You get trust from other websites. It is a 1:100 number, and the citation flow is basically how many physical links they have to the site. So, essentially you want this trust flow to be much higher than their citation flow. You want really trusted websites.

Michael: Yeah, so this would indicate that it is not a trusted website, which they say on the listing it is only ten months old, so how could it be that trusted, right?

Bill: Well, you would just need. If you get a link from a highly trusted site, then you actually would fairly immediately get a lot of trust. And so, if CNN links to you to, you get a lot of trust, so it just depends on who is linking to you and you just get that one link that gives you a lot of trust.

Michael: Yeah, okay. That makes sense.

Bill: So, basically you start looking at the links and you can look at the topics of the site linking to you. One of the domains of this portfolio that went through that was a great name was BusinessOwner.com, but instead of the same thing, there is actually 143 links, but there is a lot of really kind of low quality links pointing to it. And so, you can see the type of links that are pointing to it and so forth.

Michael: Images. A lot of images coming in. Is that what that says?

Bill: This actually shows this particular one was a blog that they talked about, so these are the types of different anchor text links that are there. Let's see. It looks like the no follow versus do follow, and so there are pages, but you would expect to be some higher trusted links pointing to this site.

Michael: Yeah, I understand. Okay. All right, so that is the search engine penalties and banning. So, do you use this same tool for determining if there is link spam associated with a certain domain name?

Bill: Yes, actually you would go through and actually look at the links and see whether they are quality links or not quality links and redirects and so forth.

Michael: So, give me an example. Pick one of those links and tell me why you think it is quality or not quality.

Bill: Well, let's see. Let's go through.

Michael: So, Bill is setting the filters in order.

Bill: Yeah, so we do some filters and we can actually see. Let me look at this EasyRecipeDepot site and actually see. So, some of the best links are from Flippa because they have a lot of high trust.

Michael: Oh, interesting.

Bill: In the 40s. So, just listing it on Flippa will actually help some rankings, but if we get on to some of these other less trusted sites, we have one that was about bedroom ideas. It is not a very trusted site. There are 49 links to this site, but it is only a trust of three and it is categorized as business, so we are not sure. The category is business because other business websites linked to that particular one about bedroom ideas. So, there are two processes. You can actually reach out to the site owner and ask them to take the link down or you can actually go into Google and give them a list of the links that you want Google to ignore, and that is called the disavow file, and basically you make a text list of the links that you want Google to ignore and Google will ignore them as they go through and crawl.

Michael: Yeah, all right, and then that takes us a certain amount of time for the website on that domain name then to have that removed, right? It is not automatic.

Bill: Yes.

Michael: Yeah, all right. Cool, so that tells us about the links that are coming in and whether they are valid and useful or spammy. What about email blacklist? A lot of people buy domain names and they just use it for spamming. Not a lot of people. Some people buy domain names. They just use them for email. They burn it, and then they switch to another domain name after that once it has hit these blacklists. How do we check that?

Bill: Yeah, so an email blacklist check and there are several here that I use actually kind of on a regular basis. You can put in an IP address or the domain name and just check, and it will go through and tell you that really there is not any. It checked all these email blacklists, a ton of them, and there are no problems at all.

Michael: Great. That was easy. So, that is a free tool. Do you need to check more than one service or is on sufficient?

Bill: I mean you can check several obviously. Like I said, just to be thorough, this is actually checking an IP address. So, same thing. I really like the What Is My IP Address site for that. So, just to be thorough, like I said, you can check multiple sites.

Michael: Cool. Yeah, and I liked that first one that you used. I have used it in the past as well. MXToolbox.com. For some reason, in the past, I do not know why, but a customer will tell me that he has not received an email from one of my websites, and so then I will go and I will check it and I will see that, out of that long list, there will be one or two that list my domain name on the blacklist, and then I will look to see if there are any issues on the site. And if there is not, then I will contact that blacklist company and ask them to re-review my domain name, and then pull it off, and they have usually instructions on all those websites to do that, but it does happen.

All right, so let's talk about the last two issues that are related, Bill. I am going to buy Bill.com. I am going to spend a lot of money. I want to know if there are trademarks that are going to limit my use of that domain name, or like your example before, if it has gone to UDRP like five times before and a

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company is really after it, but keeps losing their quest to acquire it. So, where do we go to do our research on trademarks?

Bill: The US Trademark Search. Obviously if you really want to do a thorough search, there are a lot more trademark searches and to really kind of do it properly, you would want to get an attorney involved and a trademark attorney who knows how to do those. And it will be a couple hundred dollars to do the trademark search properly.

Michael: But it is worth it if you are going to spend tens of thousands of dollars, and I have, in the past, used David Weslow. DavisWeslow.com. I highly recommend him. I think he is great. There are a lot of great attorneys that I have interviewed on the show as well.

Bill: Yeah, I just put it in DomainSherpa.com. If I am buying DomainSherpa.com, and it looks like there is something there, and so this would be something that you would. In our report, we would basically say hey, you do not want to buy DomainSherpa.com because there is potentially an issue back in 2011 filed and it is live and so forth. I put my in my name, BillHartzer, and there is not any records, so I do need to go trademark my own name, but if there are no problems, you would do that.

Michael: Makes sense. Now, that is for current trademarks. What about litigation?

Bill: Yes, as far as litigation goes, there are some sites out there that will record all of the current filings of everything. You can actually do some searches on Google. I have that in my list, but not readily available. There is a site that will allow you. You can basically do a site search. You can search site:Domain.com for that particular site on Google and look for any legal paperwork.

Michael: Any type of lawsuit or something like that, right?

Bill: That is filed anywhere will show up.

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Michael: Great. So, we will include that in the notes for this interview. And then you did a search for the Uniform Dispute Resolution Policy (UDRP) search that is associated with all domain names.

Bill: Yeah, I like to go directly to the WIPO site and do a search there for the domain, and you can do a full text search. If it is DomainSherpa.com, I might put in just DomainSherpa to see if that ever came up anywhere in any kind of WIPO cases, in any kind of cases at all, and review those.

Michael: Cool. Let's do one where there is probably a word that has been used, like tickets or something like that, and let's see how many cases come up and then how you would investigate it.

Bill: Yeah, so there was several ones for tickets. You have Ticket-Network, Ticket-Master.

Michael: All right, so if I were buying TicketMaster.com, let's say, and I had no idea that there was a large company out there, TicketMaster.net. I type in TicketMaster and it is going to bring back some cases that have been filed in the past, and then it could be a red flag to me. Hey, you should not buy this. There are companies that do file UDRP cases to protect their trademarks.

Bill: Yeah.

Michael: Whether they are in the US or not, like you did the search in the United States Patent and Trademark Office just prior to this website, but there could be UDRP cases from a Brazilian company or a company in the UK that might not necessarily have trademarks in the USPTO.

Bill: Yes.

Michael: Yeah, and so it is good to do it.

Bill: It is interesting. Even OrangeBowl.net shows up because it was related to ticket or tickets that I searched. So, yes, there is definitely some domains out here that have been filed.

Michael: Yeah. WIPO is just one of the firms that investigates UDRP cases on domain names. Are there other sites that you need to check as well?

Bill: Yes, there are some others. The other thing is using Google as well and looking for the domain name in Google. For example, if we were going to even do searches. Be creative. We know that there was something on OrangeBowl.net, if that is a domain that we are going to buy, we might do a search, 'OrangeBowl.net UDRP', just to see if there is anything. And in fact, it has been mentioned in Books. It has been mentioned all sorts of places, and so it is obvious. So, there are some creative Google searches that you can do to try and uncover these types of things.

So, as we are pulling data, there is everything from checking sites, but frankly Google is a good source to really investigating. And so, doing Domain UDRP in some of these searches and lists of searches that we manually go through, or even have a bot search and show us the results. If there are any results, then that will lead to something you need to investigate.

Michael: Yeah. All right, Bill. At this point, you can turn off your share screen and then we will go just to you and me.

So, clearly we have talked about stolen, fake, penalties, link, email blacklist, and trademark. That was only like seven or eight data points. How many data points do you look at per domain to determine if it is a good or a bad domain?

Bill: Yeah, so in my list, right now I typically do about 45 different data points. I make sure. As I go through, I actually add each. Just on a daily basis, I find some more and I am at about 53 or so data points to check and to pull that data and to find, and then sometimes going in and searching and finding an issue will actually bring up another way of searching and something else to look for. So, overall, I mean it is an interesting process to go through. If it is a domain that you probably do not want to buy, it is going to be pretty easy, if you will, something that is going to come up.

But frankly, I wish there was a way to code a product that allowed you to pull all these data points and automatically make a decision, and it is not necessarily the case.

Michael: It is not there. At least not yet. Yeah.

Bill: It is not there yet, but like I said, pulling the data is easy, but it is actually making the decision.

Michael: Well, to be honest with you, I say good or bad, it is not a binary decision. There is going to be gray areas in there. There is always going to be some amount of gray area and you need to determine if that gray area is big enough for you to have concern or for you to ask for some sort of concession. It is like buying a house. You are doing a home inspection. You never get a complete bill of health on the home. There are no issues at all. The home inspector's job is to find issues, and that could give you some negotiation room if you are trying to get a lower price for the home or if you are set on it. And if there are no issues, then you are home free.

So, let me ask you, Bill. What option do you provide at Verified Domains to domain owners and how much do they cost?

Bill: So, typically, on the retail side, looking at basically to go through about 15 data points and to really check everything out is about one hundred dollars, because that takes about an hour of time, sometimes a little longer to actually investigate things and so forth. And what I have done is kind of on a unique side, is not only just include this manual review process. I am done. I mean basically back it up with okay, if you are buying a name and I am wrong and the data is wrong and we actually find something, I am going to go in and fix whatever it is for you. And if I cannot fix that issue, then I will buy the domain from you and you do not have any worries about the domain.

Michael: Wow. Up to how much for that one hundred dollars?

Bill: For 99 dollars, I am doing a five-thousand-dollar guarantee.

Michael: Wow. So, if I buy a domain name for five thousand dollars and then I paid you 99 dollars before I bought it and it was actually stolen, you would refund my five-thousand-dollar purchase price.

Bill: Yeah, with stolen domains, it might be a kind of different issue, but yes, we would definitely investigate it to make sure it is not stolen. So, in that case, we would certainly work with you on that.

Michael: Yeah. Nice. And then of course if you did not determine that it had some sort of link spam or it was on a blacklist that you just missed, your data did not find it, or whatever, then you would actually go back, as an expert in SEO and backlinks and this type of thing, and fix it.

Bill: Yeah, clean it all up. Get the links removed. Clean it up and make sure of that. We offer also an option for more premium names. The guarantee is up to 50 thousand dollars, so 50-thousand-dollar names. Even larger names are a potential. So, if you are looking at a 100-thousand-dollar name, we can work with insurance values on more than 50 thousand dollars.

Michael: And how much does the report that has the guarantee for up to 50 thousand dollars run?

Bill: 50 thousand dollars is a one-thousand-dollar report. And that is going to take us a couple days to get done.

Michael: Yeah, I would expect that you would be doing a lot of due diligence on that one.

Bill: Yeah.

Michael: Yeah, awesome. Let me ask you, Bill. I introduced you right at the beginning and it showed Verified.Domains. That is a new top-level domain, the .DOMAINS. Do you own VerifiedDomains.com as well?

Bill: No, actually we do not, and looking at it, the way the words actually happened, with VerifiedDomains, there are two D's in there, and so it kind of is messy in my opinion.

Michael: I agree.

Bill: It could be misspelled. I think, personally, it is just cleaner. Verified.Domains. And I like the new TLDs, but it just made sense to split up that particular name in that case. I still am a fan of .COMs and if it was another name, then I might have gone with the .COM. But in this case, I wanted to split it up and I wanted to do it this way rather than using a hyphen in there.

Michael: Yeah, great point. We talked about your pricing for individual domains. Previously, in the show, you mentioned that you did an entire portfolio review of six hundred domains. Is that something that you do on a regular basis? Will you review an entire portfolio, and how does that pricing work for an entire portfolio?

Bill: Yeah, so that case, we actually made a deal where we went ahead and verified all the domains and told the domain owner okay, these are the names that we would not verify. It was about 20 or so domains, and that is a case where we have verified them and it is an agreement where, as the domain is sold and he gets his money, the domain investor, then he can go ahead and then pay us when the domain is sold.

Michael: Oh, interesting. So, you are basically doing on contingency for when the sale occurs.

Bill: Yes, and so the idea is to cover his costs. So, he has a domain. If ultimately it is one hundred dollars for that particular domain verification that we do, then basically it is a case where he would then probably just price his domain a couple hundred dollars more to recover that, to cover that cost, and there we go. I mean it is kind of that case.

Michael: Yeah, great idea, and it is a differentiator to say that the domain has been verified by a search engine expert and it has Verified.Domains seal of approval. Cool.

Bill: Yeah, same thing. We have partnered officially with Escrow.com, and so domains that go through Escrow.com are recommended that we verify those domains.

Michael: Oh, I have not seen that. So, how does that work?

Bill: So, basically we have tested out a lot of domains that have gone through and basically they are just recommending that as you go through a sale that you get a domain verified.

Michael: Got you. All right.

Bill: They do work with a lot of other partners, like CARFAX and so forth with vehicles that go through Escrow.com, and so it was just natural for us to join and do a partnership there.

Michael: Definitely.

Bill: I have been talking also with several different domain auction platforms and ultimately I would like to get some domains pre-verified as well and working. So, I am in that partnership mode, especially with domain investors, with platforms, with parking companies, and so forth. So, definitely looking that way to make this work.

Michael: Excellent. And if somebody does want to get in touch with you, Bill, what is the best way for them to reach you?

Bill: Certainly they can put my name in Google and I will show up, or actually just through the website, Verified.Domains.

Michael: Okay, use the contact form on Verified.Domains.

Bill: Sure.

Michael: All right. If you have watched this show and you have questions for Bill that we did not go over, please post them in the comments below the video on DomainSherpa and I will ask Bill to come back and answer as many as he can. I encourage you to take a moment. Post a quick thank you to Bill if you found any benefit from this show, and I am not sure how you did not because I have been in the industry for over a decade and I learned some new things today from Bill going through this due diligence process. So, post a

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quick thank you in the comments below or click on the Twitter button and thank Bill publicly on Twitter. I am going to be the first to say so.

Bill Hartzler, Creator of Verified.Domains. Thank you for coming on the DomainSherpa Show, educating us on how to perform due diligence using all these great tools, and thanks for being a Domain Sherpa for others.

Bill: All right, thanks.

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

Watch the full video at:

<http://www.domainsherpa.com/bill-hartzler-verified-domains/>