

How the Largest Website Marketplace Can Help Sell Domain Names - With Dave Slutzkin

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Flippa.com is the 800-pound gorilla in the website buying and selling marketplace, and they are growing quickly as a domain name buying and selling marketplace. Should you be listing your domain names for sale there? We'll find out from the CEO of Flippa.com himself. Stay tuned.

Three messages before today's interview educates and motivates you.

First, if you're a domain name investor, don't you have unique legal needs that require domain name technical know-how and industry experience? That's why you need David Weslow of Wiley Rein. Go search for David Weslow on DomainSherpa, watch his interview and you can see for yourself that he can clearly explain issues, can help you with buy/sell agreements, deal with website content issues and UDRP actions, and even help you write your website terms and conditions. David Weslow is the lawyer to call for Internet legal issues. See for yourself at NewMediaIP.com.

Second, managing multiple domain name marketplace and auction site accounts is a pain. Inevitably, you forget to sign into one and lose a great domain...or worse. Now imagine using a single, simple-to-use and comprehensive control panel to manage all your accounts. That's Protrada. You can setup search filters, analyze domains, automate bidding, list domains for sale, and buy domains across all major marketplaces. Protrada also has a new semantic engine that builds Google-friendly websites with rich content and network feeds. Sign up at Protrada.com to get 20 free credits and start building and monetizing your domains today.

Finally, if you have questions about domain names, where should you go to ask them? The answer is DNForum.com. Not only is DN Forum the largest domain name forum in the world, but it's the best. You can learn about domain names and the industry, buy and sell domain names, talk about domain name news, and meet other domainers just like yourself. Register for

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a free DN Forum account and begin advancing your skills and knowledge today. And when you do signup, send me a friend request so we can connect.

Here's your program.

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

Flippa.com is the number one marketplace for buying and selling websites. The company posted revenue of 1.38 million in 2009/2010 time period, according to Smart Company. Today, we are going to learn about the latest trends in website marketplace, and how domain names will fit into their strategy going forward. And we are joined by the CEO of Flippa.com, Dave Slutzkin.

Dave, welcome to the show.

Dave Slutzkin: Thanks Mike, good to be with you.

Michael: I should point out to the audience right off the bat, I apologize, my camera seems to be having some difficulty today. So, if you see me popping and going out, or locking up, I am going to try and reset it and try and make it all transparent to the audience. Dave, you look great, by the way, and your camera has no problems.

Dave: That is good to hear, thanks.

Michael: So, Dave, thanks for joining us. It is early in Australia. I quoted, just now in the intro, Smart Company. They had some figure. I am not sure where they get it from. 1.38 million in 2009/2010. Is that a correct number?

Dave: That was pretty close for that time period certainly. I mean they did their best to estimate that.

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Michael: Yeah, and I assume that is your profit; not your total revenue of all transactions flowing through the Flippa.com system.

Dave: No, that would be what we would claim financially as apposed to the sell-through revenue, which is significantly higher than that obviously.

Michael: Right. So, over the last twelve months, what has been your profit?

Dave: We are not disclosing that at this point. As a private company, we do not necessarily disclose all those numbers. But you could take the number as an income point for what was almost two and a half or three years ago now; we have grown substantially since then. I think that is safe to say.

Michael: Excellent. So, I read, on your site, that over two hundred and ninety thousand bids were placed and nearly twenty-six thousand websites were sold on Flippa, in 2011, valued at over, or almost, 31 million. That is an enormous amount.

Dave: Yeah, there is a huge amount already selling on Flippa, but what we know is that that is tiny fraction of what could be sold. There is so much more out there. It turns out there are a lot of websites on the Internet. I don't know if you have noticed. And most of those could be sold on Flippa, so that is our ultimate goal.

Michael: Yeah. And so, for anybody that has not ever heard of Flippa - I cannot imagine anybody in my audience not having heard of Flippa, but for anybody that has not -, how do you describe Flippa to brand new customers potentially?

Dave: Flippa is the web's biggest marketplace for buying and selling websites. It is really that simple. For us, we concentrate very heavily on the buying and selling websites. We know that we can provide the best marketplace for that, and we know that is what we do, and we are going to continue to do that in the future.

Michael: Okay. So, right now, I see, on your website, seven hundred listings are open. That means that individual websites and/or domain names are currently being offered for sale on Flippa?

Dave: Yeah, that is exactly right. And they are all in an active sales process, which differentiates us slightly from some other kind of, what I call, (Unclear 4:06.6) catalog marketplaces, where people list their inventory and then it sits there for a while until someone is interested in it. We have a very active auction system, and everything that is listed on Flippa is being paid attention to directly by the seller and, hopefully, by a large number of buyers as well.

Michael: Well, and that is the key for anybody that has a website that they want to sell. Clearly, they can put a 'For Sale' banner on the top. They can go out and hire a broker. They can go to Ebay and list it. But, at the end of the day, they are going to get the highest purchase price by getting the most amounts of people to view it, because some percentage of them is going to be interested in it. So, from that standpoint, Flippa is the best alternative in terms of having more people on the website, in the marketplace, viewing the listings?

Dave: Absolutely. We have the biggest collection of website buyers, which we are very grateful for, and we are always trying our best to cater for those website buyers. We know what they want. We know, to some extent, what they want, and we are always trying to find out, better and better, how we can tailor our product for those website buyers. It is not just about having the large number of buyers. It is also about having a system which allows you to get the highest price. The auction system is actually really good for driving interest in a sale; and that is why we find that it works very well.

Michael: And so, every listing is an auction on Flippa? Is it required? Can I just list my domain name for sale on Flippa?

Dave: You can just list it for sale. We have what we call a Private Sale Option, which is relatively little used; and there is a reason for that. It does not work as well, to be completely honest with you. If someone feels like that is a useful option for them, then we are absolutely happy to provide that service. And we know that people have gotten good results from our Private

Sale, but we also know that a short auction - a 7-day, a 14-day, or a 28-day auction - really drives interest, as I mentioned before. It gets the buzz going around the sale.

Michael: Sure. So, if I have a website or domain name for sale, I can go online and onto Flippa, and I can list it for ten thousand dollars, let's say, or I can start an auction. Can I start an auction with a 'Buy it Now' price that, if somebody just wants to end the auction, they can purchase it for a specific price?

Dave: Absolutely, yeah. It is very similar to the Ebay system in that way, and slightly different to Ebay in that you start your opening bid at a particular price. You can have a reserve price, which is higher than that. So, if you know that you do not want to sell your website for any less than ten thousand dollars, you can still open the bidding at one thousand dollars and see how much interest you can build up, but you know - you have the piece of mind of knowing - that you are not going to sell for less than the ten thousand, which you have set as your reserve price.

Michael: Right. Excellent. And I saw another statistic on your website that fifty percent of the websites sold in the last three months. So, basically, of all the inventory that you have on your website, fifty percent sell.

Dave: That is about right. Yeah.

Michael: Yeah, is that a good number? Not in having known about sales, if I go to Ebay and I lookup what happens on their website, is yours better than theirs?

Dave: I do not necessarily compare us directly with anybody in that way, but we think that fifty percent is a reasonable number. It is pretty good. You list your website; you have got a one in two chance of having that sell for a price that you are happy with. But we are always striving to improve it. We would love to have one hundred percent of our websites sell because our sellers price them perfectly and our buyers know exactly what they are looking for. That is what we are always striving towards. So, we are getting there. I mean fifty percent, as I said, I think is a pretty good number.

Michael: Yeah. Flippa.com launched in 2009, so it is still relatively new. To put it in perspective, Ebay launched fourteen years before you, but you are the number one marketplace. How did the idea for Flippa first come about?

Dave: Flippa came about almost organically. Previously, there was a company called SitePoint, and they were a Web Development Forum, and still are for that matter. They are still a sister company of ours. They had a thing called a SitePoint Marketplace, which evolved from buying and selling of websites in the software and web development forums. SitePoint Marketplace was really successful. That became the number one destination for buying and selling website. And then, in 2009, we decided that the marketplace deserved a new home. It deserved a bit more oxygen. It deserved the place to really build and grow the way that we knew it could. So, we made the call in 2009 to spin it out and turn it into a standalone website, and a standalone market, and a standalone brand. And that has worked really well for us, to be honest.

Michael: Great. And during that time, you went from SitePoint.com, which was a Discussion Forum, to SitePointMarketplace as an addition to SitePoint, and then you launched Flippa. At some point, 99Designs came out of it as well. Is that correct?

Dave: That is absolutely correct. Yeah, they are another sister company of ours. So, we are all still in the same group. We are all for a little longer, at least, in the same building here, in Melbourne. 99Designs was a couple of years before Flippa spun out. 99Designs spun out in a very similar way. So, we tend to use them, maybe, as an older sibling, if you like, and take lessons from them. They blazed a trail. We certainly like to talk to them as much as possible for advice because those guys (Unclear 9:33.9). Everyone knows who they are. They are doing a great job.

Michael: Yeah, and I can say that DomainSherpa has received some of the benefit from 99Designs. I used 99Designs to find an artist for the logo of Domain Sherpa, when I was coming up with the idea and I wanted some sort of image to portray to help people figure out how to climb that mountain, it often times seems like, when you are trying to figure out the domain name

industry. So, I found a great artist that I have continued to use through 99Designs.

Dave: That is a success story. I will put the guys onto you. They can use you as a testimonial.

Michael: Excellent. All right. So, did 99Designs come before or after Flippa.com?

Dave: Before. It was a couple of years earlier.

Michael: A couple of years. So, you have got 99Designs, which makes sense. I am going to go on there. I am going to submit my contest. Hopefully I am going to get 99 designs submitted for my contest, which I may have gotten on Domain Sherpa. I, again, used it for a website development. I did not quite get to 99, but that is the idea behind it at least. On Flippa, how did you come up with the name for Flippa and decide on that domain name?

Dave: We have an internal branding guru, I suppose, and that is my Chairman. Mark Harbottle is the guy for the names. He named SitePoint, and that was (Unclear 10:55.2) that he named SitePoint. He named 99Designs. He named Flippa. He has named Learnable and (Unclear 11:02.0) - other spinouts and related companies of ours. He is the man. He is, in many ways, a mentor of mine. He is a great guy to work for, and he has just got the mind for it. He comes up with a name and it sticks. Certainly, Flippa has been one of those names that people hear once and they remember.

Michael: Yeah, definitely. So, what challenges did you face when you launched Flippa.com that you did not experience on SitePoint Marketplace?

Dave: Flippa was interesting because, when we spun it out, it gained a lot of oxygen in both good ways and bad ways. The SitePoint Marketplace was a relatively smaller (Unclear 11:43.9) community of people. Everyone knew each other to some extent. A few new users came in; a few old users left, but generally, it was a pretty static community in some ways. But then we spun out to Flippa and, all of a sudden, we had this influx of new users. An influx of people who did not necessarily know how the marketplace worked, did not

necessarily know what the norms of the marketplace were, and that was just an interesting challenge. It is good and bad. It is good because it brings new ideas and new expectations to the market. It is bad because it can bring some confusion and complication to the market. So, it was really interesting for us to suddenly have this influx, which has kind of continued to the present day, of users who are much newer to buying and selling websites.

Michael: Yeah, and how do you deal with that, Dave, knowing that you are always going to have an influx of new users coming in? How do you get them up to speed as quickly as possible so that they are following the norms that everybody expects that has been on the site for a while?

Dave: Yeah, that is a good question. We try our hardest - and this is something we are always working on - to work with them as much as possible; giving them as much educational material as we can. We have produced some really great eBooks, and we revise them pretty frequently in order to make sure that people have the material at their fingertips if they choose to use it. And, to some extent, we work closely some external providers - effective educational providers who we know do good stuff, who we have spoken to. We have looked at their material. We know they are portraying trends accurately as much as possible because, in this game, there can be some people who, maybe, overhype things a little. We work with the people who we know are trustworthy, and we then can have really useful partnerships within, which help our users a great deal.

Michael: Yeah, definitely. And speaking as a customer of, say, 99Designs, which I am sure translates over into Flippa, I remember getting emails every step of the process. As the process evolved, I would get an email saying: "Great! This has been done. Here is what you need to do next." And that was very helpful. I have not gone through a purchase or sale on Flippa.com. Is it a similar type of environment?

Dave: Yeah, absolutely. And once again, we are always looking to improve that. That is a real product focus that we have here. We are actually ramping up, to some extent, our product focus to make sure that we really know what people are doing at each step of the process, and that it is really obvious to

them; they have a good user experience on Flippa. That is really important to us.

Michael: Yeah. So, our Producer, Wayne Nelson, who conducted the pre-interview with you, tells me that domain names have been selling very well on Flippa lately.

Dave: Yeah, and that is something that we are I wouldn't say surprised about, but it is something that we did not necessarily expect. In the last six months or so, there has definitely been an influx of domains into Flippa itself. And there are open questions as to why that is.

Michael: You have not been able to nail it down yet.

Dave: Not necessarily. What we do really well is websites. That is what we focus on. We do not necessarily focus on domains. We know there are other marketplaces out there who do domains really well. But in talking to some of these people who listed domains on Flippa in the last three to six months, what they really like about Flippa is that the sales process allows them to sell more. They can sell their domain more. It is not as simple as just listing it and saying: "Well, this is the name. Buy it or not, as you choose." You can put some text about the domain. You can put a whole pitch in about why someone would want to buy the domain, where it has been, what is good about it, history of the domain, and all those things. And people really like that, especially for quality domains. That seems to be something that really appeals to a lot of owners. And it allows them to be more active in the sales process as well to really work more closely with the buyers to come, hopefully, to an agreement. So, in some ways, that is not surprising that people are using the site more and more to sell domains, especially as parking revenue dries up and as the distinguish between websites and domains become less stark. But at the same time, it is not something we have particularly focused on.

Michael: Yeah, it is interesting because I do find that when I look through Flippa - and I do somewhat often because I like to see what websites are selling and how people are marketing it - that creating that story - the narrative - to help bring people along and to why this might be a good

investment is useful, and I think that domain names often are reduced down to a set of characters and that is it. You list in a newsletter and it is just the domain name, and they barely have any marketing or promotional material. So, I think that it is a great distinction that your site has; and I am not sure if you have thought about this, but since you do have a lot of entrepreneurs and developers on the website looking for some additional revenue, they are probably looking for undervalued assets that they can develop, add some social media to, write some content and publish to, and domain names could be a great asset as well. You can buy a website that maybe has five hundred dollars a month in revenue or one thousand dollars, but it is on a terrible domain name, or a questionable one. You can, instead, buy a great one; and if you already have the skills, then you can just start developing it yourself.

Dave: Yeah, absolutely. And that is essentially what we see on Flippa really frequently; is that it is almost that skill exchange that you are talking about there. Someone will buy a website that looks really ugly - it is very poorly designed - and they know that they have skills in design, so they will be able to improve that form about the website. Or they will be a website that has poor content that has a really good design and good domain name, and they will improve the content. Or they will buy a website, as you say, a poor domain name because they know that they have the skills in finding a good domain name for that website. It almost becomes a skill exchange that they would take a website as far as they can themselves, and then pass it on to someone who can take it up to the next level.

Michael: Yeah, definitely. And so, when I visited Flippa.com recently, I saw, in the right-hand corner in, I think, maybe bright red text "Sell Your Website Today". I do not see anything about sell your domain name today. And in fact, I have to navigate through the menu to figure out where to even look for domain names. It's, I think, under one of the pull-downs that are under the categories. You have domains listed there. Is that the best way to navigate to the domain names that are currently listed for sale?

Dave: As it stands, it is, because I suppose, as I said, it is not something we focus on necessarily. It is not something that we are necessarily even going to focus on in the future. If people want to sell their domain names on Flippa, then absolutely, we will help them out with that because we know we have a

good offering. But there is a certain art in business, I suppose, of focusing on one particular thing and really narrowing down so that you know that you can do one thing well, and they might be worried about everything else. We are the best at websites and we are still not as good as want to be. So, the more focus we can put on websites the better. So, that means that we do not necessarily want to spend time building a domain offering for people.

Michael: Got it. I came across Silver.com. Great premium domain name that is up for auction on Flippa.com. It is scheduled to end, I believe, on January 2nd or 3rd and, as of this taping, Dave, it is up to forty thousand dollars. Is that a domain name that you went after and tried to get listed on Flippa, or do you know if the seller just decided to list it there instead of any other marketplace?

Dave: I have not looked specifically at that one, but we certainly would not have gone out of it specifically. We do not do any in-bound acquisitions on straight domain names at this point. That is not something that we necessarily focus on. But what we know is that we have at least a handful of people who have really strong portfolios, who are getting really good results listing them on Flippa. So, that is quite possible, without me having looked at that specifically, that is one of those people that you are talking about.

Michael: Great. So, let's say a domain name owner wants to list their domain name on Flippa. They go on there, they put the domain name, they describe it, they write the full summary of what people can do with it, how they have not had time to develop it, and what have you. What is the best way to drive more people to view the domain name since it is not necessarily an area that you are focusing on? Are there any specific tactics that they can use?

Dave: Yeah. With any listing on Flippa - with any listing on any site, I suppose -, you are really looking for it to get to the right person. We do a fair bit to help you get to the right person, and we will help you categorize your domain in such a way that, hopefully, people who are looking. So, in the case of Silver, people who are looking for precious metal-related domains; we will find them. But it is also really important, if you can identify anyone out there across the Internet - anyone who would be interested in this domain -, just a quick email to them to say: "Hey, you might be interested in this. I have got it

listed at the moment. If you want, have a glance, and maybe you can bid on it." That is always important, and that is something that the marketplace cannot necessarily do for you. We are always trying to get as many quality buyers in as possible, but the marketplace cannot necessarily identify exactly who would be great to buy, for instance, Silver.com. So, the more that the seller can do on their front to find potential buyers and pull them in, then our auction system can kind of help the seller to get the best price from those buyers.

Michael: Yeah, that makes sense. Anything that they can do through your auction platform to help drive more viewership? Bolding a headline. Things like that.

Dave: That is right. Similar to Ebay or most other marketplaces, we always have those upgrades that you can purchase, and especially if you're selling a domain for tens of thousand of dollars. The upgrades a relatively cheap on that front. You can bump it to the top of front page of the website, and you can do that as many times as you want. That is something that we get really good results from. It keeps you front of people's eyes so that they know that you are still there. So, yeah, if you are selling a domain for a significant price, then that is a great option.

Michael: Yeah. And I did see one option listed. It is called Premium Domain Listing for five hundred dollars. Is that that bumping to the homepage that you just described?

Dave: Yeah, that one actually is a really good option because it keeps you pretty close to the top of the list for the entire time that the domain is listed. We also give you access to Premium Support, which is really important. We have some pretty capable support people here who can help you out with quite a lot of things, and that Premium Option gives you access to those guys. That is something that a lot of people find very useful, especially if you are selling for the first or second time. Then maybe you are not quite sure how the process is supposed to work.

Michael: Okay. So, if I purchase that, they will help me write a better description, or deal with unruly questions, or any and all of that?

Dave: All of those things. Yeah, absolutely.

Michael: Okay. Great. Let's see here. And so, once the transaction starts the auction, I can set a 7-day, a 14-day, and I think you said a 30-day. Isn't it best if I always go thirty days because then there are more people that will notice it and follow it?

Dave: To some extent that is true, depending on the value of the site or domain, because people often need a little bit of time to do due diligence on it, to think about what they might do with it, etc. But, that said, if you have been to a house auction, or property auction, or some sort of auction, most of the action comes at the start and at the end. In fact, most of it comes at the end really. At the start, people notice the auction and then it often goes quiet in the middle. There is a communication period there, where you are talking back and forth with some buyers, but really what happens is at the end. So, generally, the short time period will not necessarily be the better results, but you can get just as good a result from a 7-day action often as you can from a 28-day auction, especially if you have got a really quality piece of property.

Michael: Yeah. I hear a lot of domain sellers complaining about some other marketplaces, saying that they went through the process, the buyer bid on it, and then they just dropped off the face of the planet. They will not respond to emails. Maybe they are from another country. It is frustrating. Not only did you waste your time going through the auction, but then it sort of mars the domain or the property that you put it back up for auction and people are wondering. Like: "What just happened? I saw this before. Is there a problem with the seller? Did they welch on the deal?" How do you deal with making sure that you get sellers and buyers with integrity; that they are not trying to just game the system?

Dave: This is something that the sellers can really focus on themselves. You have got to remember that this is business deal and, like any business deal, the success or failure of the deal is going to hinge on the quality of the communication. So, accepting a bid from someone that you have never spoken to for one hundred thousand dollars, generally, in the same way that you would not do that for your car maybe, you should not be doing that for

your domain name or website. If you get a bid from someone for one hundred thousand dollars, you can have a conversation with them. Get them on Skype. Get them on the phone. After a five-minute conversation you know one hundred times as much about that person as you did before that five-minute conversation, and then you know whether or not they are the sort of person you want to do business with. So, really, we do as much as we can to facilitate this. It all comes down to communication. The most successful deals on our site are the ones where the seller and the buyer were communicating the best.

Michael: So, if somebody bids one hundred thousand dollars on my website on Flippa.com, I know their Skype address and I can start up a conversation and learn a little bit more about them?

Dave: You can communicate with them on Flippa to start with, and then you can go back and forth. We have no problem with you then communicating with them via Skype or via whatever other method makes sense. We cannot disclose that immediately because there are certain personal information requirements obviously there, but we ask you as much as possible to communicate. We try and incentivize you to communicate with that person as much as possible.

Michael: Yeah. And if I am the buyer in one of the auctions happening on Flippa.com, am I guaranteed that if I am the high bidder at the close of the auction that the seller will be required to sell it to me?

Dave: Absolutely. Yeah, that is the basic fundamental of an auction system. The buyer has to have the confidence that they are going to the buyer if they are the winning bidder.

Michael: Right. And is it possible for the seller to stop an auction in mid-process at all?

Dave: A seller can call the auction at any time. If they have a bid that is high enough for them, they can say: "Oh, that is it. I am happy to stop the auction here."

Michael: Yeah.

Dave: This is another factor in favor of communication from the buyer's point of view. If you are talking back and forth with the seller and they maybe know that you have a little bit more gas in the tank, then they are much less likely to stop the auction early. Whereas if you have not spoken to them at all, then they will be like: "Oh, that is his final bid. So, this other guy bid higher and I am happy to stop there." So, once again, communication is key.

Michael: Yeah. Ten years ago, did you ever think that you were going to be like the auctioneer and the master of the auction universe, where you are going to help so many people sell their websites and buy website online?

Dave: Not even slightly. (Unclear 27:07.1) building software for airlines, which was a completely differently kettle of fish to domain names on the Internet, let me tell you.

Michael: Yeah. Looking back, what do you think that you have learned that you never thought you would have learned through the website auction process?

Dave: To be honest, and I have just been harping on it so it will sound kind of boring, but the communication thing. The burden that business deals place on communication and how that is the absolute key to trust is the thing that I have learned most, I suppose, in this. Because when you first look at a business deal, you think: "Oh, it is all about the money. That is all it is about." But there are so many more factors to that. There is the trust, and the integrity, and the safety factors that come into it; and they can only be gained by solid communication between the parties.

Michael: Yeah, and it is amazing how a communication vehicle like the Internet, which allows you to text, and email, and chat, and do all these things; often times, it is to the detriment of a deal that people do not take the time to communicate clearly in their written word. We should have a whole interview about how to communicate clearly on the Internet. How do you help website and domain name owners that want to list their assets for sale on your marketplace value them and set an appropriate sales price?

Dave: That is a really tricky one. So, we provide them with a valuation tool that we have, which is actually pretty accurate, we find, but it gives a fairly broad range. So, what we often say to people is that the best way of working out what your domain name is worth, or your website is worth - you can list it on Flippa and you do not necessarily have to sell, and you can put a fairly high reserve price on it, and have the opening bid be a fair bit lower than that. And that gives you the option of running a short 7-day auction and getting a really good idea of what the ballpark for your website or domain is. After those seven days, you know that you have got thirty-five bids up to seven and a half thousand dollars. Therefore, this domain name is probably worth around that mark. Sure, you might want to push for ten thousand or twelve thousand dollars, which is completely fine, but you know that it is somewhere around that mark probably. The auction process is really good for giving you that because if a buyer wants it, they are going to bid.

Michael: Yeah. Well, that is very interesting. So, your listing fee, I believe, is \$29. Is that correct?

Dave: Yeah.

Michael: Website. Domain name. Regardless of size. \$29.

Dave: Yeah.

Michael: Okay. So, if I have a domain name that I think is worth ten thousand dollars that I would be willing to take five thousand dollars for, I can list it with a five thousand dollar reserve, 7-day auction, it costs me \$29; and if it never hits that five thousand dollar reserve, I can find out what the Flippa Marketplace thinks it is worth - what the highest bid was.

Dave: That is absolutely right. Yeah.

Michael: Okay, fair enough. All right. So we talked about getting the best results for the domain name or the website for sale. Some different options for highlighting it. We talked about fraud a little bit. What kind of monitoring and safe guards does Flippa use to make sure that a seller of a website that

says that they have one thousand dollars a month and one hundred thousand visitors per month actually has those metrics?

Dave: We do a huge amount of work on fraud. Obviously, we need to be the trusted marketplace. We need to be the safest place that you can possibly do business on the Internet. So, we are always working hard on that. From the traffic point of view, we are integrated tightly with Google Analytics, and that gives us a really good idea of what someone's traffic actually is, and we are also integrated strongly with Google AdSense for a single reason, and we are always working on integrating more revenue sources that we can verify. So, we are talking to affiliate revenue providers. For instance, someone like ClickBank or a Commission Junction. We are obviously talking to those guys and a number of other places about being able to verify that revenue and being able to verify the traffic. So, maybe (Unclear 31:20.7) is by far the biggest, but there are a number of other analytics providers who were are also looking at. So, that is the key for us; is being able to verify those things. The less uncertainty there is in a deal the better the process will be for everyone.

Michael: Yeah, definitely. So, anybody that is not familiar, if you go and list a website and you have Google Analytics on the website and Google AdSense on the website, and you say your traffic is one thousand visitors and one thousand dollars per month, you can provide access to those accounts through Flippa, Flippa will sign into those accounts, verify the domain name - the website - actually has those results that you are claiming, and then you, as a third party independent marketplace, will verify it for the seller.

Dave: Yeah, we will grab the figures down and we will say this is what we read directly from the Google Analytics account. We will not publicize access to the account itself obviously, but we will grab download figures and say: "This is what we verified, as the seller actually claimed."

Michael: Yeah. Since communication is so key and that leads to trust between the buys and the sellers, is there anything else that can be done for a seller to maximize that credibility - that trust - on your place?

Dave: Being open and honest with anyone who is looking at your site is, by far, the easiest way. I mean that is the thing that you just have to do, and

being really active in your management of the auction as well. If someone sends you a question and does not get a response for two days, it is not really going to make you look so good. If someone sense you a question and, on the other hand, they get an response an hour later, it gives them the answer to all their questions, it is a really nice response and a full response, it leaves the way open for further discussions; that is something which works really well. And once again, that is what we see. The auctions that work out the best for us are the ones where the most communication occurred and the communication was clearest.

Michael: Yeah, that makes sense. Dave, final question for you. What is coming in the future? What projects do you have that people can expect to see in the near future through Flippa?

Dave: There are a lot of interesting things. Look, my Marketing Department will probably kill me, but I will give you guys a sneak peek. There are a few things on the drawing board. The thing that we are probably closest to really rolling out and launching fully is a website portfolio management tool that we think is really useful. So, what we know about Flippa users is that many of them have these website portfolios. They do not just buy a single site or they only have a single site to sell. They have a lot of sites. And managing those is, to some extent, an art more than a science because you might have revenue coming from various places and you have got traffic in various places. What we are pushing for is a really solid website portfolio management tool. We are ninety-five percent implemented on that. It helps you look across your Google Analytics across the entire portfolio, look across revenue across the entire portfolio, get summaries of where it has been and where it is going, get alerts when things are going worse suddenly or going better suddenly - things that you need to know about your portfolio as a whole. And from our early feedback from a few trial users, it is said to be something that people are going to find really useful. So, that is what we are really excited about in the short-term. Helping people to get a much better look at their website investments overall.

Michael: Yeah, that is great. This is the point in the conversation, Dave, where I ask the audience if they have follow-up questions for you to please post it in the comments below the video, and then I will ask you to come back

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and answer as many as you have time for. If people want to follow you, Dave, on Twitter, what is the best username or handle for them to follow?

Dave: My Twitter is Twitter.com/DaveSlutzkin. That is not very easy to spell unfortunately, but sure you can. Mike will have a link for you.

Michael: I will. I will put that in.

Dave: My Twitter account is full of inanity, so I would not expect too much (Unclear 35:27.1) from me.

Michael: All right. And then, if people want to follow Flippa on Twitter, it is @Flippa. And then, of course, you are on Facebook at FlippaMarketplace.

Dave: That is correct.

Michael: So, Dave Slutzkin, CEO of Flippa.com, thanks for coming on the show, helping us understand how domain name investors can take advantage of the Flippa.com Marketplace, thank you for putting up with my video camera that seems to be going in and out literally every thirty second, and thank you for being a Domain Sherpa for others.

Dave: Thanks very much, Mike. It has been a pleasure.

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

Watch the full video at:

<http://www.domainsherpa.com/dave-slutzkin-flippa-interview/>