

\$40K Annual Profit from Part-time Brandable Domain Name Investing – With Doron Vermaat

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How did one part-time investor sell \$155,000 of domains over his first 3.5 years of investing? It's probably his unique way of starting a conversation with potential buyers. In today's show, he shares the exact email text, timing of those emails, and how he asks for the sale. Stay tuned to learn more.

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Michael Cyger: Hey Sherpa Network. My name is Michael Cyger and I'm the publisher of domainsherpa.com, the website where you can learn how to become a successful domain name investor or entrepreneur directly from the experts.

You know, I say that intro before every interview and I want drive home the point that this is the place where people come to listen to interviews with real entrepreneurs and real domain name investors and hear them talk about the details of how they bought low, sold high, built their own investment portfolio and optimized their processes for making money. You don't just want an overview or the highlights; you want the details behind the deals because the details help you become better. And that's what I promise you here at DomainSherpa. That's why I love you guys for committing to listen to these shows because you want to be better. You want more. That's what we're going to do and deliver today.

I started following today's guest Sherpa a few years ago. He was doing some investing. He had a blog where he chronicled his successes and the industry, and he was working on some software that was helping him become a better investor. And he kept at it, day after day, month after month, and I saw his successes pile up, and I saw his software evolve and add more features and benefits. Two years later, I called him up and started chatting with him and his partner at Efty.com. A few months later, they gave me the honor of investing in Efty and joining their journey to help individual investors around the world make more money using the software they developed and use daily. Actually, three days ago was our one year anniversary of being partners at Efty.com.

I'd like to welcome to the show Doron Vermaat, an individual investor and founder and head of product at Efty.com, software that helps you manage, market and monetize your domain name portfolio. Welcome, Doron.

Doron Vermaat: Thanks, Mike, and thanks for the great intro.

Michael Cyger: Oh, it's my pleasure.

Doron Vermaat: And happy anniversary.

Michael Cyger: Happy anniversary, great to have you on the show. I wanted to give a little bit of that intro just so people knew exactly that we do have a business relationship. I wanted to get that right off the...

Doron Vermaat: Yeah.

Michael Cyger: ...Right out in the open. It is 11 p.m. in Hong Kong where you live, where you are right now...

Doron Vermaat: Yeah.

Michael Cyger: ... That's why nobody is in the office behind you.

Doron Vermaat: True.

Michael Cyger: I thank you for staying up late and...and sharing your story with the Sherpa Network.

Doron Vermaat: No worries. It's very cool to be on the show, so my pleasure.

Michael Cyger: And so we need to give a shout-out to our fellow partner, Lionel Petitiaux...

Doron Vermaat: Yeah.

Michael Cyger: ...Who is probably asleep right now in Holland.

Doron Vermaat: Yeah, it's been always interesting to get together on the same call once a month. Amsterdam, Hong Kong, Seattle...but it's been a great ride so far.

Michael Cyger: It has been a great ride.

Doron Vermaat: Yeah. It's the worst hang-up for...for me, yeah, for sure.

Michael Cyger: Alright, Doron, so I want to start at sort of a high level and find out where you are today so people can understand, if they haven't followed you before, what...where you are as an individual investor and then we're going to go back in time and find out how your processes developed over time.

Doron Vermaat: Sure.

Michael Cyger: So, Doron, what month and year did you start investing in domain names?

Doron Vermaat: To be precise, I started investing in domain names in December 2012, so around three and a half years ago, and I remember quite clearly because I was on a holiday in Sri Lanka at the time. Yeah, for Christmas.

Michael Cyger: And so...so I want to hear that because I want to hear the first domain name that you invested in but, to date, over the past three and a half years, what were your total sales? Like, if you took all the domain names you sold and total up those sale prices, what does that number come to?

Doron Vermaat: It's just under a hundred and fifty five thousand U.S. dollars.

Michael Cyger: A hundred and fifty five...

Doron Vermaat: To be precise, it's a hundred and fifty four thousand, eight hundred, twenty six dollars, and fifty five cents.

Michael Cyger: Nice. Alright, and then what was your total acquisition cost? Like, what did it cost to buy the domains that you sold for about a hundred and fifty five thousand dollars?

Doron Vermaat: Just under fifteen thousand.

Michael Cyger: Wow.

Doron Vermaat: Fourteen thousand, seven hundred, and thirty seven dollars, and fifty one cents...

Michael Cyger: Alright.

Doron Vermaat: ...To be precise, yeah.

Michael Cyger: So I'm doing a little calculation. I'm taking a hundred and fifty five total sales minus fifteen thousand, is a hundred and forty thousand, and then if I divide that by 3.5 years, that's about forty thousand dollars per year that is a net income. It doesn't include renewals, it doesn't include the time you spent, but basically this is...you are a part-time investor, right?

Doron Vermaat: Sure. Yeah. I mean, for me domaining is something, you know, I do on this side and I...you know, I...I see it as a hobby because I really enjoy doing it. And...but it's...it's a hobby that makes me money so...

Michael Cyger: Yeah.

Doron Vermaat: It's...you know, you...you could say I'm a part-time domain name investor. Probably, like, ninety percent of the people in our business are doing it on the side next to other projects, other jobs, yeah...

Michael Cyger: Well, yeah, and that...that probably is a valid figure. Ninety percent, maybe even a higher percentage of people...

Doron Vermaat: Yeah.

Michael Cyger: ...Can invest in domain names part-time. But I think it's probably just a...a small percentage that don't invest part-time that make the kind of money that you're making. Forty thousand dollars a year in net income...that's a pretty...over...you know, and consistent over three years...that's a great return on...on your time. So then the question is, what is your time? How much time do you actually invest in domain investing would you say?

Doron Vermaat: Well the actual buying and selling of domain names I don't spend that much time, but the whole, you know, doing research, reading...reading blogs, you know, looking on forums, going through drop lists and stuff...

Michael Cyger: Yeah.

Doron Vermaat: You know, it...it all adds up, you know, even those...those few minutes here and there when, you know, when...when you're mobile, you always check your email, or you...you know, maybe log into forum or read a new blog post.

Michael Cyger: Yeah.

Doron Vermaat: I think, if you look at all that time combined, I think for me personally, it will be around ten to fifteen hours a week that I would spend on domain name investing, so the...the buying, selling, doing research, all that stuff...

Michael Cyger: Yeah.

Doron Vermaat: ...Together, yeah.

Michael Cyger: Yeah, yeah. So, it's probably an extra, you know, one and a half to two hours per day on average. Somewhere...

Doron Vermaat: Yeah.

Michael Cyger: ...On that order of magnitude.

Doron Vermaat: Yeah. I mean, it used to be more when I first started and now I have a daughter, so it's...it's definitely, you know, it's definitely less. I don't go through drop lists every day anymore. I usually go out, you know, maybe twice or three times a week and see...

Michael Cyger: Yeah.

Doron Vermaat: ...What's on NameJet or other sites but it's...it's a bit less now, but on the average I think it's still around anywhere between ten to fifteen hours a week, yeah.

Michael Cyger: Yeah. Yeah, so, you...you've got your new daughter. You've got your wife of course. You've got Efty the software business. You've got investing part-time. And then, do you also have a full-time job, Doron?

Doron Vermaat: Not anymore. I used to be a full-time head of business development for a internet company, but pretty shortly after we started working on Efty I scaled that down to a consulting gig. So I still do probably, you know, a couple days consulting for the company, but it's...it's not full-time anymore. So I do Efty, I have the consulting work, then I have the domain name investing, and then I also write my own...I publish my own blog and there's definitely a few hours that...that goes into that as well weekly. So all in all, it keeps me pretty occupied, yeah.

Michael Cyger: Yeah, definitely. And we're going...I'm going to ask you about your blog at dngeek.com. But Doron, what was the highest sale price for a single domain that you've ever had?

Doron Vermaat: The highest sale price was twenty five thousand U.S. dollars, and that was for riskjobs.com.

Michael Cyger: riskjobs.com.

Doron Vermaat: Yeah.

Michael Cyger: Huh.

Doron Vermaat: And...

Michael Cyger: Priced alright.

Doron Vermaat: And risk really stands for risk management...

Michael Cyger: Yup.

Doron Vermaat: ...Which is like a...a vertical within in the finance and banking industries. So it's a pretty big recruitment [inaudible] in...in all my recruitments so I'm quite familiar with that market and...so risk jobs is really for risk management jobs, it's...it's, you know, how it's called in the industry, yeah.

Michael Cyger: Yeah, it's funny that all three of us at Efty have had some sort of jobs recruiting background. You've worked in...in, you know, the jobs boards.

Doron Vermaat: Yeah.

Michael Cyger: I've run...I currently run a jobs board and have run a recruiting business in the past and...and our partner Lionel runs a company that provides software to recruiting...recruiting companies. It is a big space.

Doron Vermaat: Yeah, recruiting software. Yeah, I mean, it's...it's a multi-billion dollar industry...

Michael Cyger: Yeah.

Doron Vermaat: ...And within the recruitment market they use domain names. It goes way back... keyword plus jobs domain names...

Michael Cyger: Yeah.

Doron Vermaat: ...Are really sought after. So...

Michael Cyger: Yeah.

Doron Vermaat: ...Anything from teaching jobs to truck driver jobs, if you have those in .com's they're worth a lot of money. And risk jobs...a lot of people were scratching their heads...they say, "What is a risk job," but if you're in the U.K. or in some part of the U.S., if you're a financial recruiter, you know exactly what risk recruitment is...

Michael Cyger: Yeah, exactly.

Doron Vermaat: ...And so...

Michael Cyger: Yeah.

Doron Vermaat: It's a pretty good sale, but I think the buyers still got a also good deal. It's...it's a killer domain name.

Michael Cyger: Definitely. What did you...what did you pick up riskjobs.com up for? Do you remember your acquisition cost?

Doron Vermaat: Yeah, it's...it's two hundred and thirty one U.S. dollars I...I paid for it.

Michael Cyger: So in comparison that seems like a steal.

Doron Vermaat: Yeah.

Michael Cyger: But two hundred, thirty one...that means that there were probably a couple of other people that knew about the benefit, the...the size, the value of risk related jobs.

Doron Vermaat: Yeah, I bought the name of NameJet, and there obviously were a few other people bidding. But I got it for an absolute steal.

Michael Cyger: Yeah.

Doron Vermaat: Two hundred and thirty one dollars.

Michael Cyger: At that price, sounds like you bought it probably, like, I don't know, three, four years ago...or no, you've only been in the industry for three and a half years. Did you first buy it when you got into the industry, or...?

Doron Vermaat: I actually bought it within the first few months I got into the industry.

Michael Cyger: Yeah.

Doron Vermaat: So it was one of my first fifty or sixty domain names I've bought.

Michael Cyger: Yeah.

Doron Vermaat: And it sold in 2014, so I think I...I held it for, like, a year or so...

Michael Cyger: Yeah.

Doron Vermaat: ...And then I...I got a buy.

Michael Cyger: And so I asked you for your biggest sale, Doron, because I want to show the audience that of your hundred and fifty five thousand dollars in total sales, your largest sale was twenty five thousand so it's not like you sold one domain for a hundred and forty five and then you've just sold a couple more.

Doron Vermaat: No.

Michael Cyger: Most of your domains are smaller priced, relatively, sales. What...if you had to put an average on it, do you know what your average is, or do you know roughly how many domains you've sold that make up that hundred and fifty five thousand?

Doron Vermaat: Yeah, I mean, I mainly sell to end users although this year I've been liquidating some...some...some lesser names in my portfolio.

Michael Cyger: Yeah.

Doron Vermaat: But in general I buy for, you know, I...I...I buy names and hold them long-term until an end user comes knocking on my door. The sweet spot for me...most...my sales, will be in the two to three thousand dollar range. So, yeah, the majority of my sales will be in that...in that range.

Michael Cyger: Right.

Doron Vermaat: Three...two...two to three thousand dollars I would say.

Michael Cyger: Two to three thousand.

Doron Vermaat: Yeah.

Michael Cyger: Alright.

Doron Vermaat: Yeah.

Michael Cyger: And then, how many domain names do you own today and how do they generally break out by top level domain?

Doron Vermaat: I currently own a little...just under a thousand names at the moment. And I'm a dot...I'm definitely a .com guy so most of my names are in .com. But I do own a few .nets. I...I own probably around thirty or forty .co's. I own maybe one or two .biz...maybe one or two .info's. And then I own around forty of the new gTLDs. But I would say more than seventy percent of my portfolio is .com.

Michael Cyger: Yeah.

Doron Vermaat: Yeah.

Michael Cyger: Alright. And, you know, for anybody who follows you through domaining.com feed, or reads your blog, or signs up for your newsletter and gets notified, your blog, dngeek.com, provides pretty much a transparent view of your business. And once a month you actually share your dashboard from Efty, E.F.T.Y. .com, which shows what your total profit is, what your acquisition costs...all the things we've sort of discussed, you know? You can go and follow Doron and find out exactly how he's doing in the business. Why are you so open with your finances on dngeek.com?

Doron Vermaat: I mean, there...there are a couple reasons for this. First of all, I think it helps me to learn to be a better investor when I share and document my journey, you know? It's, like, almost writing a journal but then instead of keeping it, you know, under your bed you just publish it on the web. But by, you know, sharing what I've bought and what I've sold every month I can...it...it also helps me to, kind of...you have to constantly...I had to, you know...basically, one year later I can read back and read how I was looking at things at the time. So, first of all, it helps myself by sharing; secondly, I feel

by being transparent and sharing you can really build an audience, and when I decided to start publishing a blog I was like, "What can I do," you know? There's like...there's so many blogs already out there and they all have their own niche and, you know, when I started out in domaining there were a few blogs I was reading where people used to share what they bought and sold, and those posts were the most helpful for me. So, it was also a way of giving back by sharing what I was buying and selling, and I thought these posts are helpful, but if you still don't tell people what you've paid for a domain or what...what it's sold for, then the information is a lot less helpful.

Michael Cyger: Right.

Doron Vermaat: So at one point I decided to also be very transparent about my, you know, my performance as an investor and share, you know, how much I've paid for a domain, how much I've sold the domain for, because that makes the information even more valuable. And, yeah...what I've found is those monthly posts I do are by far the most popular on the blog so people really appreciate it. And since I'm not some...I'm not like a really big-shot investor...I'm like most of the guys in the industry...I do it on the side so I think people can identify with me. And people like to comment on my blog and share what they've bought and what they've sold and so, yeah, a couple reasons.

Michael Cyger: Yeah.

Doron Vermaat: I do it for myself but I also do it to, you know, to help others, and to build an audience on the blog.

Michael Cyger: Yeah.

Doron Vermaat: So it's definitely also this...also a win for me, you know? By sharing this I get a bigger readership which helps me to, you know, build an audience, a following on the DNGeek blog.

Michael Cyger: Yeah, well it's definitely valuable. If you haven't read DNGeek, you should go and...and follow Doron's monthly summaries.

Doron Vermaat: Thanks.

Michael Cyger: Doron, let's go back in time now and understand how you got to where you are today. You said you started investing in December 2012 when you were on vacation. What was the...

Doron Vermaat: Yeah.

Michael Cyger: ...What was the inception? What made you think about investing in domain names, and what was the first domain name you invested in?

Doron Vermaat: It's...it's quite a interesting story how I got involved in the industry. As you already pointed out earlier, my professional background is...I'm a job board guy, so I've worked for a lot of the online recruitment sites. First in the Netherlands, and then since 2006, in Hong Kong. So, in 2006 I founded a job board for the Greater China Region. It was called New China and...

Michael Cyger: We've got a slight delay here, Doron.

Doron Vermaat: ...And, until we basically went bankrupt shortly...in the financial crisis and...

Michael Cyger: Hey, Doron?

Doron Vermaat: Yeah?

Michael Cyger: We just had a small little hiccup in the video.

Doron Vermaat: Okay.

Michael Cyger: So you founded a jobs board, and did that jobs board go bankrupt in the financial crisis, you were saying?

Doron Vermaat: Yeah, so...so, I founded a jobs board in 2006 and that's actually the...the...the job that brought me to Hong Kong. And we...we ran

that site for four years until it went bust, and then I moved on to another job at the time, and...but the domain was administered by our web host, or by, sorry, by our web developer. But because our company went bust the relationship with that web developer was also pretty much over, so the domain was, like, neglected. So no one looked after it, and it still had a few years of renewal on it, but years later, like, in December 2012, I was like...I was monitoring that domain because I know it had an expiring date and I thought, "I want to buy that domain name back" because it's...it had some personal value for me.

Michael Cyger: Right. Right.

Doron Vermaat: And I actually wanted to launch another site on it, and so, I did some research and the domain name was registered with Network Solutions, and I found out that all the domains at Network Solutions that expire are being exclusively auctioned on NameJet. And I was, like, "NameJet, what's NameJet"? Well, you know, I guess if I want this old domain name back of mine I have to go to NameJet and create an account. So, I created an account and signed up and, all during my holiday, and, you know, I participated in the auction for the new newchinacareer.com domain name which I won, but I also saw these other domain names, and, you know, I was very intrigued and I learned about, you know, the aftermarket, auctions. I've learned about drops, and that expired domains are first going to go through like a...like NameJet, but before they come available to the regular folks, you know?

Michael Cyger: Yeah.

Doron Vermaat: A whole world opened for me. And so that same holiday, I not only bought my own domain name back, but I bought, like, you know, probably ten or fifteen other domain names, and I was hooked immediately, you know? I was like...I got sucked into it and...

Michael Cyger: Yeah.

Doron Vermaat: Yeah.

Michael Cyger: And you know, that's a...that's a perfect example. I've recently done a couple of shows in DNAcademy and one recently on DomainSherpa about domain name parking, just educating people. That's a prime example of a domain name that was a website, that probably had a ton of back links coming into it...

Doron Vermaat: Yeah.

Michael Cyger: ...That expired because everybody just went off in their own direction when the company failed, and somebody else could have bought it and parked it and it would have had traffic coming in and people clicking on links, and, you know, the kind of acquisition...if you get it on the drop because nobody understands it...

Doron Vermaat: Yeah.

Michael Cyger: ...For eight dollars, and then you could probably make eight dollars in a month whereas...

Doron Vermaat: It's...it's a great example, yeah.

Michael Cyger: Yeah.

Doron Vermaat: Just, when I was bidding on...well first I had to place a back order at NameJet for the domain name...

Michael Cyger: Right.

Doron Vermaat: ...I was the only one so for a while..."Oh, I'll probably get it," and, like, two days before the day that it would go to auction there was two bidders, three bidders, four bidders, and obviously I was determined to...to...to win the auction and I had pretty deep pockets for it but the bid still went up to, I think, three hundred, four hundred U.S. dollars...

Michael Cyger: Wow.

Doron Vermaat: ...And that was purely because the domain name had ton of back links, a very good back link profile...

Michael Cyger: Yeah.

Doron Vermaat: ...And...

Michael Cyger: What did you end up paying for it?

Doron Vermaat: Yeah, like three hundred sixty or just under four hundred U.S. dollars.

Michael Cyger: Yeah. Do you still own it today?

Doron Vermaat: I still own it today and actually if you go to newchinacareer.com right now there's actually a full-fledged...a job search engine for China on it...

Michael Cyger: Wow.

Doron Vermaat: ...Which...which...which I own now fully.

Michael Cyger: Yeah. And so, just for the transcriber, it's New China what?

Doron Vermaat: New China Career.

Michael Cyger: newchinacareer.com?

Doron Vermaat: Yeah.

Michael Cyger: Okay.

Doron Vermaat: Yeah, so...so...so you can check it out. I've re-launched the site together with a very talented web developer and it runs on auto-pilot now but it's very cool to have the domain from the company I ran for four years, and which we raised a lot of money for...

Michael Cyger: Yeah.

Doron Vermaat: ...And we spent a lot of money on, but it went...it went bust. But now...

Michael Cyger: Well, and, you know, lots of companies went bust through no fault of their own, you know?

Doron Vermaat: Yeah.

Michael Cyger: You know, I sold my media company to a larger media company that ended up, you know, going bankrupt because Wells Fargo...their lending creditor pulled back all the finances during the .com, or during the recession of 2008 and so...

Doron Vermaat: Yeah.

Michael Cyger: You know, '08, '09, so, you know, there's lots of reasons. But Doron, are you making any money with that new newchinacareer.com website right now?

Doron Vermaat: Yeah. It's like a profitable site. It's a job aggregator and we use job content through the API of two different companies.

Michael Cyger: Yeah.

Doron Vermaat: So...and we get some affiliate money from it.

Michael Cyger: Nice.

Doron Vermaat: It's not a big business but...

Michael Cyger: Yeah.

Doron Vermaat: ...just very cool to have because that's...that's part of my career. Such a big part...it occupied such a big space on my resume. I was

like, "Hmm, if people go to newchinacareer.com and that site is like parked page or someone else..."

Michael Cyger: Right.

Doron Vermaat: ..."Owns it..." I don't want that.

Michael Cyger: Yeah.

Doron Vermaat: So, that was one of the reasons I wanted to buy the domain back and launch a new site on it.

Michael Cyger: Yeah.

Doron Vermaat: And I decided now is actually a lot better than in 2006 because the technology these days is, you know, much better with cloud hosting and...

Michael Cyger: Yeah, definitely. So, Doron, anybody that knows your investment style, if they go to dngeek.com, they read what you're writing on there, they go onto NamePros and they follow your...your auctions that you have on there, or they visit your Efty marketplace, they know that you're a brandable guy. You know, you were just at Domain Fest Asia, right? And you talked about...you went up on stage...

Doron Vermaat: Yeah.

Michael Cyger: ...And talked about...talked about brandable domain names.

Doron Vermaat: Yeah, so Domain Fest Asia was actually right here in...in not just in Hong Kong but in this building in [inaudible] so for me that was really cool traveling the world for these conferences to have actually one ...

Michael Cyger: Yeah.

Doron Vermaat: ...Right here at home. But I did a presentation which was called The Rise of Brandables, how to buy, manage, market, and sell

brandable domains, and I got a lot of great feedback on it so I hope to do it again at one point and...at another conference.

Michael Cyger: Yeah, nice. I would love to see that at NamesCon so I'm going to put in an email to Teri and ask her about that. But choosing an investment strategy is really difficult for new investors. You've been in the industry three and a half years now. You can probably remember back to the beginning. Now people are like, "Well, do I invest in keyword domains? Do I go with acronyms? Do I try and play the numeric game? Do I go brandables? Do...you know...and how much money do I have"? So the question I have for you that I think a lot of newer investors have is, how did you find your brandable focus, and how long did it take you for hone...honing that skill?

Doron Vermaat: Well, I actually went back a few days ago and looked at my first purchases, so...first domains I bought on NameJet for example. I was kind of surprised to see that, like, nine out of ten I bought were actually brandables already right from the start. So I guess, I'm...I'm, you know, my background is in marketing, and sales, business development, but I'm also a very creative guy so when I started out buying domain names I immediately was looking for brands, you know? Stuff that was...that was edgy, or, that sounded good, or, you know, that I could see a company brand itself with. So from the start I was quite focused on...on buying brandable domains but I also bought a lot of, you know, more keyword domains. I bought a few, you know, acronyms and so, I was a bit all over the place but, you know, the majority of my buys were...were...were definitely brandables. I started focusing much more on brandables, I think, probably after like a year or so and I also found out about brandable marketplaces like BrandBucket and Namerific at the time. I was very...very interested in that concept of, like, you know, presenting a domain name with a logo, and a description...help companies with competition and brand. That really piqued my interest from, pretty much, like, the beginning. Yeah, but so...

Michael Cyger: And so, do you remember some of the early brandable domain names that you purchased?

Doron Vermaat: Yeah, so...so some of my first ones were...one of actually kind of ridiculous. It was [recipe-dog.com](http://www.recipe-dog.com).

Michael Cyger: RecipeDog.

Doron Vermaat: Yeah.

Michael Cyger: So just from the beginning you weren't buying the keywords like you said because, you know, a keyword would be, like, onlinerecipes.com, but you bought recipe, a keyword, plus, you know, a describer at the end.

Doron Vermaat: An animal, yeah.

Michael Cyger: An adjective, or a noun, or a...

Doron Vermaat: One of the first names of all was ehila.com, so E.H.I.L.A., which is like...a bit like an invented brandable.

Michael Cyger: Yeah.

Doron Vermaat: But in Italian it actually means, "Hey there..."

Michael Cyger: That's cool.

Doron Vermaat: Yeah, so, those were the kinds of names I was buying at the beginning so quite focused on brandables.

Michael Cyger: Yeah.

Doron Vermaat: But I...I went through my list and I also bought, you know, some...some...some keyword domains, and, you know, I still own, like, a lot of four letter .com's. I own thirty five three letter .co's, so I'm still a bit diversified.

Michael Cyger: Yeah, but today, are you buying three letter .co's, or are you buying four letter .net's, or any of those?

Doron Vermaat: No.

Michael Cyger: No.

Doron Vermaat: No, but...

Michael Cyger: But you're holding the ones you have?

Doron Vermaat: Yeah. So I do have a bit of a diverse portfolio still, but my focus is really on brandables. Like, the domains I buy now are, like, nine out of ten, they're brandables, or they're related to the recruitment industry, so...

Michael Cyger: Yeah.

Doron Vermaat: So I still buy a lot of jobs...jobs related domains for starting or hiring, anything with the keyword hire or jobs or career.

Michael Cyger: And do those tend to be keyword or do those tend to be brandable as well?

Doron Vermaat: Those tend to be more keyword because in...in recruitment you want stuff like, you know, jobsinfinance.com or you want financejobs.com or maybe financecareer.com.

Michael Cyger: Yeah.

Doron Vermaat: It's still very, very focused on keywords if you look at the domains, job boards. But of course if you look at Monster or CareerBuilder, you know, those are actually also a lot more brandable. I mean, if I would launch a job board myself today I would choose a brandable, but the names that sell for big money in the job board industry are still keyword domains. Yeah.

Michael Cyger: Do you know if your sell through rate on your jobs related domains is similar to your sell through rate on brandables?

Doron Vermaat: I think I've sold three job related domains and I own maybe around fifty or sixty so I think it's kind of similar.

Michael Cyger: Yeah.

Doron Vermaat: Yeah.

Michael Cyger: Huh, okay. So, I want to know what your favorite brandable domains in your portfolio are. What...what...what's the cream of the crop? What's the domains where you're like, "That's a winner. This is an example for other people who are thinking about getting into brandables"?

Doron Vermaat: Well the last year or so I've...I've...I've been focusing. Well actually from the start I've always...everything I've made in profit I've reinvested in building my portfolio so, I...I don't really take any profit out. I usually just reinvest in better names.

Michael Cyger: Yup.

Doron Vermaat: So over the years my portfolio got, you know, much better names. Some of the ones I really like right now are...my favorite by far is movingup.com. It's funny because this name was included in your NamesCon DomainSherpa Review in...in Vegas and it had really good reviews from Drew Rosener and...

Michael Cyger: Yup.

Doron Vermaat: ...Frank Schilling and the other guys.

Michael Cyger: Yeah.

Doron Vermaat: And Drew called it the, you know, the America dream, climbing the...the ladder.

Michael Cyger: Yup.

Doron Vermaat: I like MovingUp a lot, and it's one of the domains I've...I get inquiries on all the time and I've turned down, you know, five figure offers on it, so it's really one of those names I hold long-term...

Michael Cyger: Yeah.

Doron Vermaat: ...For a buyer. Another one I bought quite recently that I like is a bit more of a cheeky brand. It's called badmonkey.com.

Michael Cyger: badmonkey.com?

Doron Vermaat: Yeah. So...and that's a really old domain. I think it's from 1996 or 1995 and it was owned by a record label, you know, something...a bit of a cool record label.

Michael Cyger: Yeah.

Doron Vermaat: And then it dropped quite recently and I...I bought it. And if you search for BadMonkey there's a ton of companies already that have products or services or things that are named BadMonkey. You know, anything from a popcorn brand to a clothing line. It's a very edgy type of brand and I think I will find a great buyer for it over time.

Michael Cyger: Yeah.

Doron Vermaat: And I love animal names, you know? Names that...two keyword names that include an animal. One of my favorites...so this is a name I quite like...plus it's the year of the monkey, the Chinese year of the monkey this year, so that's...that's...

Michael Cyger: But if it doesn't sell this year then you're going to need to wait, what, another hundred years or something?

Doron Vermaat: Yeah, well then I can give it to my daughter who's born in the year of the monkey, you know?

Michael Cyger: That's true.

Doron Vermaat: It's going to be her future company name, BadMonkey.

Michael Cyger: Yeah.

Doron Vermaat: I'm just...that's how I call her sometimes when she's naughty. So that's definitely one I like, bought quite recently. Another one is startalent.com.

Michael Cyger: startalent.com?

Doron Vermaat: Yeah, some people might argue it's not really brandable because star talent is maybe a bit of a known term, you know?

Michael Cyger: Yeah.

Doron Vermaat: If you Google it there's, like, probably ten or twenty talent agencies out there that are called Star Talent...

Michael Cyger: Oh.

Doron Vermaat: ...Inc. and StarTalent this.

Michael Cyger: Yeah.

Doron Vermaat: But this is a name I really like.

Michael Cyger: Yeah.

Doron Vermaat: It...it was not cheap but I get inquiries on it, you know, almost weekly and, you know, this is the type of name, you know, if...if you hold it long-term you will find a buyer for it with deep pockets.

Michael Cyger: Yeah, definitely. So...

Doron Vermaat: I also...

Michael Cyger: Yeah, go ahead. I'm sorry.

Doron Vermaat: I also like it because it...it relates again to the talent industry which is, you know, recruitments or star thing or, you...you know, talent is one of those words I've always scanned for. Yeah.

Michael Cyger: Yeah, definitely, and, you know, these...MovingUp and StarTalent are the kinds of, you know...you say they're not brandable, I think they are brandable. They're not, you know, if I were to type them into Estibot...

Doron Vermaat: For me they are brandable.

Michael Cyger: ...For search volume there's probably not a ton of search volume. People aren't searching for MovingUp. But if you saying moving up, people get it, like they...

Doron Vermaat: Yeah.

Michael Cyger: It's a phrase, a colloquialism, and so I think they're great brandables.

Doron Vermaat: Yeah. So...

Michael Cyger: So, who...who are your typical types of buyers, Doron? People who are buying your...I think you said a thousand...about a thousand domain names?

Doron Vermaat: Yeah.

Michael Cyger: What does the demographic look like? Are they younger, older, from the U.S., outside, a start-up, you know? What...what does a general demographic look like from people contacting you?

Doron Vermaat: Well, I get inquiries from all over the world, from all different types of companies, individuals, organizations, but most of

the...the...the deals I've closed are usually with companies or individuals based in the... either the U.S. or in Europe.

Michael Cyger: Uh huh.

Doron Vermaat: And, so, mainly start-ups or established companies in the U.S. or Europe that I'm able to...to put a deal in place with.

Michael Cyger: Gotcha.

Doron Vermaat: Yeah.

Michael Cyger: And so, all different types of ages generally starting up a company but not necessarily a tech start-up...

Doron Vermaat: No, not always.

Michael Cyger: ...from the U.S. and Europe?

Doron Vermaat: Yeah. Yeah.

Michael Cyger: Yeah, okay. You know, I want to find out a little about your process to find these great types of brandable domain names. How does...how does this start, Doron?

Doron Vermaat: Well you need to learn what sells and that's...that's the difficult part, you know? You need to...it takes time, trial and error, but, you know, these days there are a lot of helpful tools, you know? NameBuyers is great to monitor and see what sells. So, I think if you start out and you're completely new to brandables, you should probably, you know, start out with reading the daily sales report on NameBio or you can read the DNJournal every week, stuff like that, or...I probably share a weekly blog on DNGeek with top twenty brandable sales every week, so that's basically a recap. So that's most important, what sells, but then, you know, sometimes really random names sell too and other names, the sales might never be reported so, yeah. I think in the end you have to kind of develop a sense for it and it's...it's a lot about gut feel. I mean, brandables you can divide into two categories.

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First you have the invented brandables, that ones that are made up, the made up pronounceable words that are not really words, like Ehila or Infato, or, you know, Google.

Michael Cyger: Yup.

Doron Vermaat: These types of names. And then you have the keyword brandables. So, keyword brandables are, you know, often two...two...two words but can also be...have one root word and then end with S.Y. or L.I. or I.O. or, you know, stuff like that. I'm more focused on the keyword brandables lately. When I started out I was all over the invented ones. I...I really, really liked those and you could still pick them up for hand reg and...but over the years I found out that they keyword brandables, they...they outperform the invented ones big time, you know, in terms of what sells, and...

Michael Cyger: So in your own personal investing you've seen the keyword brandables get more sales, a higher quantity of sales then the invented brandables?

Doron Vermaat: Absolutely, yeah.

Michael Cyger: Okay.

Doron Vermaat: And so...

Michael Cyger: And that's why you're buying domain names like MovingUp and BadMonkey and StarTalent, and...

Doron Vermaat: Yeah. Or, you know, ResumeHero or BlogPanda or...

Michael Cyger: Yup.

Doron Vermaat: ...You know? I...I look for two keyword names that make sense together, you know, because it's easy to get two keywords together, but you know, they...they kind of need to...there needs to be synergy between the two words, they need to work well together. Another investor in our industry who's really good at the two keyword brands is Michael Krell from BrandBucket.

Michael Cyger: Yup.

Doron Vermaat: He's really focused on these types of names so I often complete with him in..in auctions and stuff for the same names. And so, yeah, you need to make a keyword list. If you want to go after the invented brandables then it's...it's a different approach, but if you're after keyword brandables you...you...you need to make a list for yourself of the keywords you like, you know, you have all these up and coming industries just like FinTech or, you know, Cloud Computing, or apps for all these hot new technologies or, you know, like the healthcare industry. There's a lot of disruption in a lot of industries now so you can make a keyword list based on those industries and then you can get words that, you know, are cool nouns, like...I like names that end in hero or ninja or sherpa, you know? Like DomainSherpa is a perfect example of a two keyword brandable. I own names like CoffeeSherpa or beersherpa.com, you know?

Michael Cyger: Yeah.

Doron Vermaat: It's just an example but those are the names I usually look for so I have a fairly big keyword list, probably a hundred or so keywords. And I search for them in a GoDaddy auction, NameJet. I buy on the forums. I buy on NamePros. I buy on DropCatch. Everywhere really. Yeah.

Michael Cyger: Alright, so...so let me give a summary to those that are watching this show or are listening to it.

Three more quick sponsor messages.

First, if you're buying a domain name from a private party and want to know what else they own, DomainIQ.com is the tool you should be using. View

their entire portfolio, filter by Estibot value and be a better investor. \$49.95 for 250 queries per month. Visit DomainIQ.com/portfolio to learn more.

Second, Efty was built by domain investors to increase your inquiries, sales and profit. Forget spreadsheets and archived emails — manage your entire investment portfolio in one place using a secure and completely confidential platform. Learn more at Efty.com, that's e – f – t – y, Efty.com.

Finally, if you're struggling with how to buy, sell, and value domain names, you need to check-out DNAcademy.com. Published by me, Michael Cyger of [DomainSherpa](http://DomainSherpa.com), and trusted by Uniregistry to train their new employees, you too can learn using the [DNAcademy](http://DNAcademy.com) accelerated learning system for domain name investing. Learn more at DNAcademy.com.

Michael Cyger: Alright, so...so let me give a summary to those that are watching this show or are listening to it. You need to develop your gut feel, and in order to develop the gut feel you need to look at sales. So you need to read dngeek.com because you do your weekly summaries of...of what's actually selling. Look at dnjournal.com which is great, but Ron tends to focus on the higher end domain names. I'll insert my own editorial on top of that.

Doron Vermaat: Yeah.

Michael Cyger: And your suggestion of going to namebio.com is a great one...

Doron Vermaat: Yeah.

Michael Cyger: ...Because you can sort it by date. So you can see the fifty domain names that sold yesterday.

Doron Vermaat: Yeah.

Michael Cyger: Or you can read their sales summary. And so, those are more of the types of domains that...on the order of magnitude that you sell, Doron, where it's two to three thousand dollars, and...

Doron Vermaat: Yeah.

Michael Cyger: ...Those are the ones that are impulse buys that people are buying on Sedo or Afternic or whatever...so that's the gut feel. That's understanding...

Doron Vermaat: Yeah.

Michael Cyger: ...What's selling in the market. And I may do that and see different names than you are buying...or you're seeing and that's...that's just our own, you know, knowledge and...and...and biases and that's...

Doron Vermaat: Yeah.

Michael Cyger: ...That's a benefit that I have that you don't have or you have that I don't have.

Doron Vermaat: Yeah.

Michael Cyger: From that you develop your keyword list. Like, you may like ninja names or...or cloud names. You...once you come up with that keyword list and, you know, either suffixes or verbs or nouns or things that you like to pair up with those, then you can search for them to see if you can get them for hand registration, and sometimes you can.

Doron Vermaat: Yeah.

Michael Cyger: You use that keyword list to search auctions so you have, you know, your filters set up on expireddomains.net or you have you have your filters set up to email you from namejet.com or what have you, and then you also check the forums to see if there's anything on there that matches what you're looking for.

Doron Vermaat: Yeah.

Michael Cyger: Great process.

Doron Vermaat: Pretty much, yeah.

Michael Cyger: So, now I actually want to flip on the camera. What I want to do, Doron, is give users a...a sort of a hands-on view in how you operate your brandable domain name investing portfolio.

Doron Vermaat: Okay.

Michael Cyger: So, I...if you have an example of a domain name that you've recently bought, I'd like to see what the actual steps are once you buy that domain name.

Doron Vermaat: Okay, sure. Let me turn on my cam. Can you see the screen now?

Michael Cyger: I do. If you wouldn't mind taking my picture and just moving it...yeah, perfect. Awesome. Yeah. I see your screen. So this is Efty.com, right? So full disclosure...

Doron Vermaat: Yeah.

Michael Cyger: ...This is the software product that you and Lionel founded that I became a partner in last year.

Doron Vermaat: Yeah.

Michael Cyger: And, this is what you see when you sign into your Efty dashboard?

Doron Vermaat: Yeah, so this is my personal dashboard where I've, you know, been managing all my domains and I put in all my financial data. I'm happy to share this because I share it every week, or every month, or DNGeek as well, so I don't really have anything to hide. None of the domains in here that sold is under NDA or anything like that. But a domain I recently bought...actually I won it this week on dropcatch.com is springdays.com.

Michael Cyger: Huh. springdays.com.

Doron Vermaat: Yeah.

Michael Cyger: Why did you like that domain name?

Doron Vermaat: I don't know. It's...I mean, everyone like spring, right? It has this uplifting feeling, you know? Fresh...it's like, I can see it work as a brand for a lot of different companies...anywhere from the skincare brand to a nursery, to...I know Shane Cultra , it would be great IPA beer, but, you know?

Michael Cyger: That's right.

Doron Vermaat: It's just one of those typical names that the two...two words work together, you know? Spring days. And I didn't back order it myself. Like I said, I'm quite busy lately since I have my daughter. So what I do a lot now is I just go on DropCatch and see what other people have back ordered and what's going to auction.

Michael Cyger: Yeah.

Doron Vermaat: And then if I like a name I put in a proxy bid, because for me the auctions always end at three, four in the morning so I never participate real time. I always put in a proxy bid which is really great to stick to your budget...

Michael Cyger: Yeah.

Doron Vermaat: ...Because if you participate live in the auction you usually, you know, you can get a bit too much involved and go a little bit over what you originally wanted to spend for the domain.

Michael Cyger: That's true.

Doron Vermaat: But, I think for SpringDays I put in a proxy bid for maybe two hundred, fifty one dollars and I won it for a hundred and eighty four.

Michael Cyger: Wow.

Doron Vermaat: Yeah.

Michael Cyger: Alright, that's a...that's a nice...SpringDays is a nice, uplifting, positive brand. I could see that as, you know, diaper products...

Doron Vermaat: Yeah.

Michael Cyger: ...baby products, nursery products.

Doron Vermaat: Yeah, I love it.

Michael Cyger: Great. Alright, so now that you just acquired the domain name...

Doron Vermaat: Yeah.

Michael Cyger: ...What's the first thing that you do?

Doron Vermaat: Well the moment the name is in my account...you know, if you win a name sometimes you have to wait, but the first thing I do it...I...I change the name server, so that's the first thing I do. So, at the registrar where the domain is I change the name server to...to...to Efty, Eftydns.com. And then next step for me will be to add the domain name to my Efty account, so I can show...

Michael Cyger: Yeah, that'd be great.

Doron Vermaat: ...That to you right now.

Michael Cyger: Alright, so for...if you're listening in the...to audio, Doron went to the upper right-hand corner to the green button, clicked add domain, and then step one, it pops up intermodal...step one is to type the domain name, and you typed in springdays.com.

Doron Vermaat: Yeah, and as you can see, what happens is Efty will pull in all the WhoIs data. So it tells you the registrar's drop catch, it tells you the name server, registered name, when the domain name was created, and what the expiring date is. So here I can say where it's parked. For me right now, a hundred percent of my names are with...with...with Efty. Then next step I can...I can say if I want to display it on my Efty marketplace or not, which is your own personal marketplace. It's also a feature within the software.

Michael Cyger: Yeah. What's the name of your marketplace again, Doron?

Doron Vermaat: It's namerockstar.com.

Michael Cyger: namerockstar.com, okay.

Doron Vermaat: Yeah.

Michael Cyger: So if you click "yes" that puts it on namerockstar.com.

Doron Vermaat: Yeah.

Michael Cyger: If you click "no" then it creates a landing page for the domain name. So if somebody types in springdays.com they can see a landing page but it doesn't list it on your marketplace.

Doron Vermaat: Yeah.

Michael Cyger: Okay.

Doron Vermaat: Well, in this case I've changed the name server so there will be individual landing page.

Michael Cyger: Okay.

Doron Vermaat: And it will be listed on my marketplace as well.

Michael Cyger: Sounds good.

Doron Vermaat: So the category...I'll probably go for brandable and then I can type in the profile text which will be displayed on the individual for sale landing page, and also the marketplace. So, I don't always do it but, you know, I can type something in now just to show you guys how it works. So...so, SpringDays...springdays.com may be for sale. The [inaudible] name which suggests upward progress and new beginnings. I mean...

Michael Cyger: Yeah, and you can type whatever you want and this is where your marketing background comes into play.

Doron Vermaat: Yeah. So, you can put in anything you want. I always like to have a little, short pitch. So then next step, I can put in the purchase price. This is optional, so, some people use Efty to keep track of their...you know, how much they paid for a domain, etc., but you don't have to do it. So, obviously I put in all my financials in the system.

Michael Cyger: Yeah.

Doron Vermaat: And then I go to choose domain, and if I click here, it will take me straight to the parking page.

Michael Cyger: Great. And there it is. It's a beautiful parking page with a make an offer form on the page.

Doron Vermaat: Yeah.

Michael Cyger: ...And the exact promotional text that you typed in, and, you know, one comment I'll make about entering your purchase price as you're entering the domain name into the system is that oftentimes, you know, a year, two years later I'll get an inquiry on a domain name and I'll think to myself, "What was my purchase price"?

Doron Vermaat: Exactly.

Michael Cyger: And if I quote a price that's too low I'm not getting, you know, the right multiple on the domain name that I want.

Doron Vermaat: Yeah.

Michael Cyger: And so, I just go to Efty. There's a quick little search box...I type in the first few characters of the domain name, it pops it up, I click on it, and I can look at my acquisition cost.

Doron Vermaat: Yeah.

Michael Cyger: I actually put in...you can look at how many inquiries you're getting. I have a summary note that shows me all of the quoted prices. I just add another price to it, and so I can see if I'm, like, increasing the pricing over time or decreasing it.

Doron Vermaat: Yeah.

Michael Cyger: Because I want to get rid of it or what you have you. So...

Doron Vermaat: Exactly, it's...it's absolutely brilliant even though I say it myself. It's my own product, but for example, if I go to the marketing tab again I can...I can change the USP.

Michael Cyger: Unique selling propositions bullets?

Doron Vermaat: Yeah.

Michael Cyger: Yes.

Doron Vermaat: Yeah, so these are the unique selling points of the domains. These are standard but, you know, if you want you can change them.

Michael Cyger: Yeah.

Doron Vermaat: You can say, "I want to have, like, a escrow right now button, and if I go back to the page and I refresh the landing page you will see now it has the escrow right now button.

Michael Cyger: Oh nice. And if I click that as a buyer it takes me directly to a process that starts escrow?

Doron Vermaat: Yeah, if you click it, it will take you to a form that the buyer has to fill in with all their details and then both the buyer and the seller will get a confirmation from escrow with more details on how to proceed and start the transaction.

Michael Cyger: Hey, Doron, I want to actually see what your response is in how you handle inquiries that come in, so I'm going to open up my web browser. I'm going to go to springdays.com, and...

Doron Vermaat: Sure.

Michael Cyger: ...It's going to bring up the landing page. I see exactly...

Doron Vermaat: Okay.

Michael Cyger: I'm not going to do a buy it now. I'm going to type in my name.

Doron Vermaat: What I'll do while you're at it, I'm just going to upload a logo to the domain.

Michael Cyger: Okay. And I'm going to put an offer of a hundred dollars, right? Because that's what we usually do. That's what we usually see. "I...

Doron Vermaat: That's usually what you get, yeah.

Michael Cyger: ...Would like to buy this domain name." Alright, and then I'm going to click send offer, and then it confirms. Actually it says, "Please check your email to verify your inquiry." Okay, so you've got a step in here to verify the inquiry.

Doron Vermaat: Yeah.

Michael Cyger: And so I go to my email box and it says...email from Efty that says "Hi Michael Cyger, thank you for your inquiry regarding the domain name springdays.com. Please confirm your inquiry by clicking on the confirmation button below." So I'm going to click that to confirm that...that I do have a real email address, that I'm not a spammer. "Your inquiry has been confirmed, thanks for taking the time. The domain owner has been informed." So, now, what do you do, Doron, when you receive that inquiry?

Doron Vermaat: Well, inquiries sent through the Efty landing pages, they will be sent to your email address but they will also end up in the system so I'll just do a quick refresh and see if the inquiry has arrived. Yeah. Yeah. So on the right side, on the top right of the screen, I can now see I have a new inquiry on springdays.com. When I click it, I will get quite a bit of info on the buyer. So I know that the email address the buyer has used is a real email address because anyone who makes an offer has to confirm their email on Efty landing pages. So here it says verify...yes. The thing that I like the most about inquiries coming in through Efty is that you also get the IP address of the buyer which will give you a lot of extra intelligence on the buyer so I can click on the link and, you know, just see where someone lives. I'm not sure, is this accurate, Michael?

Michael Cyger: What did it say?

Doron Vermaat: It says you live in Winslow.

Michael Cyger: No, is that Washington state? I need to maximize my window. No, it actually...it didn't come in correct. It says Arizona and I'm up in Washington.

Doron Vermaat: Yeah, that's quite far off.

Michael Cyger: Yeah, that's a little off. But I have used...and I didn't even know that you could click on an IP address and it would bring up a map. I usually use a...I go to Google and I type in IP address to geography.

Doron Vermaat: Yeah.

Michael Cyger: And there's...the first thing that comes up...it actually...

Doron Vermaat: Yeah.

Michael Cyger: ...It usually pretty well matches, and what I do is try and match the name to the IP address to the general location to see if there's any additional information...

Doron Vermaat: Yeah.

Michael Cyger: ...That I can glean from that person.

Doron Vermaat: Yeah, the one I use is iplocation.net.

Michael Cyger: Yeah, I think that's it.

Doron Vermaat: So...so what I normally do is...is...is check the IP and this is really helpful because in many cases I've been able to see where the buyer lives, and I got a great tip from Daniel Levy who actually has been on DomainSherpa at one point.

Michael Cyger: Yeah.

Doron Vermaat: He says, if you have the IP address...what he loves about Efty is he can do a search on sale of house values of the person who made an offer on this domain name. So you can see he lives in a very good, you know, or a...

Michael Cyger: Yeah.

Doron Vermaat: ...Mediocre neighborhood, so here now I just search for your IP. I see, okay, this buyer that lives in Washington.

Michael Cyger: There it goes.

Doron Vermaat: Bainbridge Island.

Michael Cyger: And you nailed it down to the city. Suddenly you know that average home price in Bainbridge Island is five hundred thousand dollars and...

Doron Vermaat: Yeah.

Michael Cyger: ...Suddenly you get a little more information about me as an individual reaching out to you.

Doron Vermaat: So, yeah. Here you go, average home price, more than half a million in Bainbridge Island. Well, maybe Mike can pay a little bit more than a hundred dollars he just offered.

Michael Cyger: Darn it!

Doron Vermaat: So, yeah. So for me, all my...pretty much all my domains are make offer, and I always try to get as much intelligence on the buyer as possible, and Efty is very, very helpful with that, because if you know who the buyer is, or you know where he works or where he lives, that...that makes a big difference, yeah.

Michael Cyger: Yeah, definitely. Alright, so then how do you reply back to me? What's...what's your process here, Doron? Now that you know a little bit more about me. I live in a relatively affluent area...you probably did a LinkedIn search and you know that I, you know, have a background in start-ups and companies.

Doron Vermaat: Yeah.

Michael Cyger: How do you reply back?

Doron Vermaat: Well, first of all, "Thank you for the offer," and, you know, no matter what the offer is I think you should always say that you appreciate the interest in the domain and that you appreciate the offer, and then you need to quote, and that's...that's obviously the difficult part because how...how do

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you value a brandable domain name? It's...it's much more difficult than a pure keyword domain name or an acronym which has floor price, etc.

Michael Cyger: Right.

Doron Vermaat: So if you want I can take you through a recent sale I did and we can walk through that conversation.

Michael Cyger: Yeah, that'd be great. So basically that will pick up where...where this is off, but...leaves off, but you've already got the back and forth from the customer it sounds like?

Doron Vermaat: Yeah, so, what I did, I...I prepared, like, I...I...I put some screenshots together from my most recent sale which was, like, two or three weeks ago and I blocked out the buyer's data so...

Michael Cyger: Awesome.

Doron Vermaat: So, you know, I can share that with you guys.

Michael Cyger: Yeah, let's do that. What was the domain name?

Doron Vermaat: The domain name for that was NoteNinja.

Michael Cyger: noteninja.com.

Doron Vermaat: Yeah.

Michael Cyger: Awesome.

Doron Vermaat: And I will quickly search for it here in Efty and then I can show you how much I paid for it, so...I paid forty two dollars for it. I picked it up on Phoenix then...I mean, the price it sold for, but let's go to the email exchange with...

Michael Cyger: The sold price was two thousand, two hundred, and seventy five dollars, escrow fee forty dollars, all of the information is presented right there in your Efty dashboard. I'm just reading that out for the people that don't have access to the video right now.

Doron Vermaat: Correct, and here's the original inquiry from the...from the buyer.

Michael Cyger: Okay.

Doron Vermaat: So let me pull up the...the conversation with the buyer and I'll walk you through it and I'll tell you how it went.

Michael Cyger: Awesome.

Doron Vermaat: This is not the typical negotiation because it took a bit of time and normally I manage to close things quicker or find out, you know, we're too far apart, but this...this negotiation took quite a while actually. You can see here the inquiry came in on the 19th of July, and this is the email you get from Efty, so besides from the inquiry being in your dashboard you'll also get a email notification right away. So, the opening offer for the NoteNinja domain name was a hundred bucks and the message from the buyer was, "Just trying to find out the price you'd like for NoteNinja. We're a start-up with no funding, revenue, or product yet, so I'm not sure if it will be in our price range or not. Thanks."

Michael Cyger: So this is interesting because the person that submitted the inquiry gave their first name but not a last name and then...

Doron Vermaat: They gave also...

Michael Cyger: ...Like they're trying to hide something potentially and then...

Doron Vermaat: Yeah.

Michael Cyger: ...But they give you a message that, like, "We're a start-up."

Doron Vermaat: Yeah, so, the inquiry came from a Gmail address and only first name but with the IP address I was pretty...it was very easy for me to find out who was behind this inquiry. Also because the Gmail address has to be verified...it was linked to...I did a reverse WhoIs search on the Gmail address. This is I think a good tip. If you get an inquiry the person already might own one or two or maybe more domain names so always do a reverse WhoIs on the email address. And this brought up indeed a few domain names and this also gave me his full name, so...

Michael Cyger: Yeah, so tell me, Doron, which...I use DomainIQ to do a reverse lookup to see other domain names owned by, you know, an email address. What do you use?

Doron Vermaat: There's quite a few. DomainIQ is good but I use Whoisology.

Michael Cyger: Whoisology, okay.

Doron Vermaat: And you can create a free account. It has some limitations but even a free account is pretty good.

Michael Cyger: Yup. So then it gives you...it may not be the definitive number of domain names but it's a good estimate. It shows you whether they have...

Doron Vermaat: Yeah.

Michael Cyger: ...One, ten, a hundred, a thousand.

Doron Vermaat: Yeah.

Michael Cyger: Do you remember how many this person had and what that told you?

Doron Vermaat: I think...I think this guy had maybe three or four other domain names.

Michael Cyger: Okay, so not a lot.

Doron Vermaat: No, nothing very premium, but because I was able to get his full name and address...because each domain name has to have correct Whois details...and with that info plus his IP address I knew in which state he lived.

Michael Cyger: Yup.

Doron Vermaat: And I could find...find...find him quite easily on LinkedIn.

Michael Cyger: Gotcha.

Doron Vermaat: So he was a co-founder of a pretty well funded start-up who already raised a couple million dollars, but obviously you don't know if he's buying this domain for himself or on behalf of the company. But because I could see, okay, he's a Silicon Valley guy, you know, he's obviously, you know, he...he's a co-founder of a funded start-up. I don't want to start too low so, if I scroll down you can see my...my reply. I thank him for the inquiry and say, "I...I...I do appreciate his offer," but I said, "Our asking price for this domain is seven thousand, nine hundred, and nine dollars." And, you know, I keep my pitch very short but I make sure to say things like the name such as NoteNinja is an excellent brand name that will garner instant attraction, and quick credibility between users and customers. And I always say, "If you want to move forward, you know, we use escrow for the safe and secure transfer of funds,"so...

Michael Cyger: Yeah, and so Doron is scrolling down and looking at this. If you want to want to see the exact email I'll put a link below the video that jumps the video to this exact location in...in the interview so you can look...

Doron Vermaat: Okay.

Michael Cyger: ...At the text that Doron is using. Okay, so you replied back to this person and your last...your last sentence before your signature...and it's got dot, dot, dot on the screen so I just...

Doron Vermaat: Yeah.

Michael Cyger: ...I just want to point out that you actually do use a signature, right?

Doron Vermaat: I...I do use a signature. I email back from my marketplace email address. In my signature there's a phone number, logo, a Twitter handle.

Michael Cyger: Yup.

Doron Vermaat: You know, you have to provide as much data to the buyer or information about yourself, so yeah, I do have a signature, you can't see it in here but...

Michael Cyger: Yeah. Alright, but you conclude your email with, "How does that sound," question mark?

Doron Vermaat: Yeah, I think it's very important to...to end a email with a question because you want to have a reply; you want to have a response. So if you don't as for the...you know, you need to ask for the sale, right? You need to always close with a question.

Michael Cyger: Yeah.

Doron Vermaat: "How does that sound" is an easy one, you know? You just put it in there. It's very important, you know? I have a background in sales so you always have to close with a question and ask...basically ask for the sale, you know?

Michael Cyger: So, why do you ask "How does that sound" and not, "Are you ready to move forward," or "Would you like me to send you the next steps in moving forward," or something like that?

Doron Vermaat: Those are all good.

Michael Cyger: Okay.

Doron Vermaat: Yeah. I mean, anything that...yeah, you want someone to respond and get things moving, right?

Michael Cyger: Yeah.

Doron Vermaat: So "How does it sound? Can I initiate the escrow," you know?

Michael Cyger: Yeah.

Doron Vermaat: Just ask for the sale basically.

Michael Cyger: So "How does that sound" sort of strikes me as you're not pushy. You're not saying, "Can I initiate the escrow" where they're like, "I haven't even thought about it yet." You're just sort of saying, "How does that sound"?

Doron Vermaat: Yeah.

Michael Cyger: Maybe you want to come back with a counteroffer. Maybe you want to chat with your...you know, just give me some feedback so we've got a communication going and not just a reply and...and a dead communication from there.

Doron Vermaat: Exactly, you know?

Michael Cyger: Okay.

Doron Vermaat: Even if someone thinks, "Wow, that's way too expensive," you still want to hear that...that's his thought process, so...

Michael Cyger: Yeah.

Doron Vermaat: "How does that sound," is a very open question just to, yeah, get all sorts of response back.

Michael Cyger: Great.

Doron Vermaat: You know, no matter positive or negative you want to hear back from a potential buyer.

Michael Cyger: Exactly.

Doron Vermaat: So, what...what Matt wrote to me, he's like, "Hey Doron, thanks for getting back to me so quickly, I really appreciate it. If I had the money, I'd do it. Unfortunately I don't have that right now. If we can build our business and skill quickly I'll certainly keep it in mind. Thanks a lot."

Michael Cyger: Okay.

Doron Vermaat: It's not really the response that you're hoping for because he...he kind of closes the conversation and...but I already knew that he was a co-founder at the company and his role was head of business development so he was a sales guy too, you know? So it's basically one sales guy against another, and so what I emailed him back was like, "Hey Matt, no worries. Please feel free to share your best offer for our consideration."

Michael Cyger: Yeah, and then you sign it, and it's interesting because this all happened on the same day of the inquiry.

Doron Vermaat: Yeah, exactly, so that...that moved pretty fast. I mean, I...I'm based in Hong Kong so I'm usually outside of time zones so most of my negotiations are through email because of the time zone differences. But, you know, my mornings are usually the evenings in the U.S. and the other way around.

Michael Cyger: Right.

Doron Vermaat: So this was all in the first day. So, I said, "No worries. Just get back to me if you want to submit an offer and we can consider it." So that was on the 19th of July and then I didn't hear anything from him for a few days. So six days later I send another email and I say, "Hey Matt, I hope you're doing well. Would you like to submit an offer for our consideration?"

Doron.” And then I didn’t hear anything for another ten days and I emailed him again, "Hey Matt, I need thoughts on this," which was on August 5th and then I never got a reply on that so I kind of just left it there.

Michael Cyger: Yeah.

Doron Vermaat: Two follow-ups, or actually three follow-ups; if you don’t hear anything then fine. I do use a tracker so I can see if someone opens my emails.

Michael Cyger: Uh huh.

Doron Vermaat: I think that’s quite an essential tool as well.

Michael Cyger: And was he opening those emails in the intermediate...?

Doron Vermaat: Yeah. Yeah. Almost everyone opens these emails, but, you know, if they only open it once then you know maybe their...their interest is limited.

Michael Cyger: Yeah.

Doron Vermaat: But this guy then suddenly, like, three weeks later...

Michael Cyger: Eighteen days later, yeah.

Doron Vermaat: Eighteen days later he dropped me an email.

Michael Cyger: I’m sorry.

Doron Vermaat: “Hey Doron, We’re just trying to start a new company and we have no customers or revenue or product yet. The max I could do is one thousand dollars because we’re not even real sure it will be a real business yet.” But at that point I knew, if he replies to me eighteen days later they...they want the domain name.

Michael Cyger: Yeah.

Doron Vermaat: Yeah. So, I mean, I was not counting on it anymore. I'd kind of written it...it off but when I got this email I knew we were back in negotiations and I will probably get him to the sweet spot, of anywhere between two to three thousand to...to close a deal. So I wrote back, "Hi Matt, I appreciate your offer but two thousand dollars is too far away from my asking price. NoteNinja really is an awesome company name and this type of brandable .com's are in high demand among tech start-ups. Some comparable domains that sold publicly are SEONinja..."

Michael Cyger: Woo!

Doron Vermaat: It was actually sold by Mike for eighteen thousand." [inaudible]for sixteen thousand, hundred twenty dollars, and ITNinja for five thousand, five hundred, and eleven dollars." Then I also write, "A quick search on CrunchBase" (which is a start-up database for anyone that doesn't know, it's worth checking out)...

Michael Cyger: Yeah.

Doron Vermaat: "The quick search of CrunchBase on the keyword ninja will bring up a large number of start-ups with similar names such as ProductNinja, InforceNinja, NinjaFan and many others." So just to give him an idea that, you know, it's not just a name...it's a cool name, it's a great name, and, you know, it's worth putting a budget for aside.

Michael Cyger: Yeah.

Doron Vermaat: So, I say, "I will be willing to come down on my asking price significantly to five thousand dollars if we can put a deal in place before the end of the month and under the condition that the buyer pays escrow fees. What do you think?"

Michael Cyger: Again, an open-ended question just to get him to respond. So what's interesting here, Doron, is that you provided, you know...you set expectations, "A thousand dollars is too low of an offer." You talk about why it's a great brand, and then you actually provide some real data. "Here are

some real sales, and here are real companies...start-up companies that are using ninja." So not only did you provide him some...some, you know, him and his co-founders some ammunition to talk about, like, bringing up their price because a lot of companies are using it and more people..people are paying higher than they're offering for this type of domain name. But you really needed to know this information when you bought the domain name as well. So, you know, I want to point out to investors that are listening to this...you probably did your own research when you were buying NoteNinja and thinking to yourself, "Other companies have sold. I went to CrunchBase and there are a bunch of companies that are naming themselves ninja. And so, you're...you did that research up front, you bought the domain name at a great price, you set your asking price, and now you're negotiating the person up using the same data that you started with.

Doron Vermaat: Exactly. Exactly. Yeah.

Michael Cyger: Great, and so how did Matt reply back to this email?

Doron Vermaat: Well, he negotiated hard so he...he wrote back. I mean, at this point, he was emailing back usually within an hour so...so, you know...you know, you have him on the hook.

Michael Cyger: Yeah.

Doron Vermaat: But he said, "We...we really can't do 5k. It's just too much. I'm chatting with my partner and can stretch fifteen hundred and can pay the escrow fee. I totally understand regarding the other domains but we are unfortunately constrained due to where we are currently at. Thanks, Matt."

Michael Cyger: Alright, so you got him from a thousand dollars up to two thousand dollars.

Doron Vermaat: Fifteen hundred.

Michael Cyger: Oh, fifteen hundred. Fifteen hundred dollars, I'm sorry. Yeah.

Doron Vermaat: Fifteen hundred dollars, yeah, so...

Michael Cyger: Did that worry you at the time? Did you think, “He only came up five hundred bucks and I came down, you know, three thousand dollars”?

Doron Vermaat: Well, I...I definitely knew it was not going to be a five thousand dollar sale but...

Michael Cyger: Yeah.

Doron Vermaat: I knew I would get him to that sweet spot of two to 3k in which I would put a deal in place, so...

Michael Cyger: Yeah.

Doron Vermaat: I was not really worried at that point but, you know, you don't want to go down too quickly because maybe they have a budget of 5k and then...

Michael Cyger: Right.

Doron Vermaat: You know? But he was really haggling so I wrote back, “Hi Matt, I'm motivated to sell because the summer months are traditionally slow for our business. That said, we really are too far apart. Still, I can come down to four thousand, two hundred, fifty, with buyer paying escrow fee but that's really stretched for me.” So, I only came down a little bit.

Michael Cyger: Yup.

Doron Vermaat: To also show that, okay, we kind of have to meet in the middle.

Michael Cyger: Yeah.

Doron Vermaat: And so, at which point he wrote back, “I really appreciate your willingness to work with us. The issue is we don't...that we really don't

have much set aside, and to be honest, we weren't entirely sold on the name yet as we are considering a few other names." Well this is...

Michael Cyger: This guy is a master negotiator.

Doron Vermaat: Well, yeah, I mean, this guy was head of business development and co-founder of a start-up, so...

Michael Cyger: Yeah.

Doron Vermaat: He definitely knows the...how to negotiate.

Michael Cyger: Yeah.

Doron Vermaat: The thing is, when companies say, "We...we...we have other options," that's usually BS because if they're already offering you a price then they usually have their eyes set on that domain.

Michael Cyger: Yeah.

Doron Vermaat: You don't start negotiating on a domain if you're still not sure about which name to choose.

Michael Cyger: Right.

Doron Vermaat: So I wasn't really, you know, affected by that. "But that being said, we do like the name; so we...if we can get it for a reasonable price it would lock us in." And then he looked up the escrow fee and he suggested two thousand dollars plus escrow fee. And then he said, "It's really the best we can do and I think it's a fair price for it. More than that and we'll have to consider a different name." So he basically says, "This is our best offer, take it or leave it."

Michael Cyger: Here's the line in the sand. Yeah, exactly.

Doron Vermaat: Yeah, but I knew he wanted the name so I said, "Hey Matt, let's meet in the middle at three thousand, two hundred, fifty plus buyer pays fee. That's more than a fifty percent discount on our asking price. Even Jeff Bezos who's the CEO of Amazon would not approve on offering such a discount to his customers." Because he's known for, like, you know, undercutting every other retailer in the country.

Michael Cyger: Yeah. Yeah.

Doron Vermaat: And I knew this guy, you know, could probably appreciate that but...so then he went back again and he said, "Sorry, but if I could pay that much I would." And then he actually said, "The max that we budgeted for the domain was two thousand, five hundred." So it was basically...

Michael Cyger: Wow, he came up again from his line in the sand.

Doron Vermaat: Yeah.

Michael Cyger: You know, "Any more we'll have to consider a different name." But then you came back one more time with a...with a price and he came up again with another five hundred dollars.

Doron Vermaat: Yeah. So he said our max budget is...

Michael Cyger: Oh, no...yeah, go ahead.

Doron Vermaat: "Two thousand, five hundred."

Michael Cyger: Right.

Doron Vermaat: "And if we have to pay the escrow fee then we can do two thousand, two hundred, fifty. I really hope we can make this work." And then I said, "Alright, let's put a deal in place for two thousand, fifty...two thousand, five hundred plus buyer pays escrow fee. I'm happy to let the domain go for that price."

Michael Cyger: Oh, so you hit him one more time. You're not saying twenty two fifty plus his escrow.

Doron Vermaat: Yeah.

Michael Cyger: You said twenty five hundred plus he pays escrow.

Doron Vermaat: Yeah. Yeah, and then I said, "I hope you turn your [inaudible] product into an amazon.com success story." And then I said, "Which email can I use to initiate the escrow out"? So then I really...

Michael Cyger: Then you're asking to close.

Doron Vermaat: Yeah. Then I'm really asking for the close because normally my negotiations go much faster and, you know...

Michael Cyger: Yeah.

Doron Vermaat: This took me, like, a month or so.

Michael Cyger: Yeah.

Doron Vermaat: But then he still went, "Man, I really wish I could. I just went and spoke to my co-founder and he thought, no, we have to stay at or under our budget of two thousand, five hundred." And so, I just said to him, "You...you know, let's do it. Under the condition that you buy the drinks if I ever make it to California," you know? And he said, "Hey Doron, Deal. I'll let you know if I ever hit Hong Kong. Thanks a lot. I'll check out at escrow.com."

Michael Cyger: Very nice.

Doron Vermaat: So, yeah.

Michael Cyger: So you left it on good terms. He's happy with the domain he bought. You're relatively happy with the sale price and...and...and scroll back up, Doron. It all started with, not you saying, "The price is seven thousand,

nine hundred, and ninety nine. Best Regards, Doron." It all started with you saying, "How does that sound"?

Doron Vermaat: Yeah.

Michael Cyger: And then after he came back and said, "That doesn't sound good," your question to him was...or your statement was, "Submit an offer for consideration," right?

Doron Vermaat: Yeah. Yeah.

Michael Cyger: "Please feel free to share the..."

Doron Vermaat: "Your best offer."

Michael Cyger: "...Your best offer for our consideration."

Doron Vermaat: Yeah.

Michael Cyger: So you're starting...you're saying, "Let's go back and forth." Because I think a lot of deals die on the vine when somebody replies back with eight thousand dollars or fifteen thousand dollars and...and the end user is like, "That's crazy. I can't afford that. I'm going to go, you know...I'm not going to do it."

Doron Vermaat: Yeah.

Michael Cyger: And so I like the way that you always ask them for their feelings, their thoughts, and then, you know, you give them that opportunity to make an offer without that it sounding like, you know, a bizarre swap meet.

Doron Vermaat: Exactly, yeah. That's spot on. Yeah.

Michael Cyger: Yeah.

Doron Vermaat: So yeah, that was not a typical negotiation but it was one of my most recent sales so...this closed, you know, two weeks ago, yeah.

Michael Cyger: Yeah.

Doron Vermaat: So it was a...a fun one to share.

Michael Cyger: Yeah. Yeah, and especially because you had six days in between no responses, and then you had ten days in between no responses. So will you typically follow up with an inquiry twice? Is that...is that your general process?

Doron Vermaat: I usually follow up two or three times, yeah. Yeah.

Michael Cyger: Excessively longer periods of time?

Doron Vermaat: Yeah, I...I usually follow up maybe two...two days after I've sent the first response, you know? Just so you know I don't do outbound marketing so I sit on my domains, I'll wait for inquiries, and then I'll work those inquiries. So when I reply to an inquiry and I don't hear anything back I usually send a response two days later.

Michael Cyger: Okay.

Doron Vermaat: Asking, you know, "Any thoughts on this," and then if I don't hear anything from that maybe another four days later I...I...I email, "Have you received my email"? And then maybe I send another email...the third email one and a half week later or so.

Michael Cyger: Okay, so another ten days? So you usually wait two days, four days, and then ten days, and if they don't respond to those three emails then you just consider it a...a dead lead.

Doron Vermaat: Yeah, I mean, you...you can surely send more follow-ups.

Michael Cyger: Yup.

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Doron Vermaat: I mean, the saying is, you know, most deals are closed on the tenth or on the twelfth contact, you know, in sales so...

Michael Cyger: Yeah.

Doron Vermaat: But I don't want to be the annoying guy that, you know...

Michael Cyger: Right.

Doron Vermaat: ...Sends an email every week. I track if people open my email.

Michael Cyger: Uh huh.

Doron Vermaat: So if I see people have opened my email and they've opened all three follow-ups, and I still don't hear back, then I usually just leave it and, you know, just wait...

Michael Cyger: Yeah.

Doron Vermaat: ...For the next inquiry to come in.

Michael Cyger: What tracking program do you use on your Gmail to see if recipients are opening the email?

Doron Vermaat: It's called...it's from HubSpot.

Michael Cyger: HubSpot.

Doron Vermaat: It's from HubSpot Sales.

Michael Cyger: I think it's the...oh, the name just escaped me, the... the Sidekick?

Doron Vermaat: Yeah, it used to call...it used to be called Sidekick and now I think it's called HubSpot Sales. But it's really good and...

Michael Cyger: Do you pay for that one because you send a certain number, or, I think it's free up to...

Doron Vermaat: There's a free version and there's a paid version.

Michael Cyger: Yup.

Doron Vermaat: And the free version is good enough...

Michael Cyger: Yeah.

Doron Vermaat: ...For I think a lot of people. Yeah.

Michael Cyger: And then how do you remind yourself to contact that lead two days later, four days later, ten days later? What's your process?

Doron Vermaat: I usually set a reminder in Outlook and...but Efty also allows you to create some tasks for each domain which is also a way to remind yourself. In Efty you can also quickly see which domains got inquiries. So you can even go maybe six months later and all the domains you ever got an offer for, maybe you send a follow-up for six months later.

Michael Cyger: Yeah.

Doron Vermaat: Like, "Hey, we run a promotion and we give twenty percent off."

Michael Cyger: Yeah, great idea.

Doron Vermaat: Whatever your strategy is, but, yeah.

Michael Cyger: What's your process around...what's your philosophy around responding to buyers within a certain period of time? I know some investors will say, "I wait a day or two just to make them sweat it out and then I respond." What's your...what's your general philosophy?

Doron Vermaat: I'm fast, you know, so, when I get an inquiry I always take time to research the buyer. So I don't immediately reply. I want to know who's...who's sending the inquiry, but as soon as I have some intel on the buyer...or in some cases you don't have any intel...

Michael Cyger: Yeah.

Doron Vermaat: I will reply usually within the same day. People are interested in...in...in buying your domain, you know? Get back to them. I...I don't see any point in letting people sweat it out...maybe if you have a really premium assets and you get so many inquiries that you don't really care, then fine. But for me, if you sell, you know, in the...in the two to three, four thousand dollar range you just want to move quickly and...

Michael Cyger: Yeah. So speed is...is a benefit to closing a deal?

Doron Vermaat: For me it is.

Michael Cyger: Yeah.

Doron Vermaat: Yeah.

Michael Cyger: Hey, Doron, you recently sold a portfolio of brandable domain names on namepros.com. It was...it stood out to a lot of the NamePros readers because in that portfolio one of the...which was...I believe all of them were listed on BrandBucket for sale...one of them actually sold while the portfolio was up for sale and you had said that...which you weren't expecting.

Doron Vermaat: Yeah.

Michael Cyger: And you had told that...that the proceeds of that would go to the winner of this auction. I...I'm curious...you had mentioned that these were domain names that you were trying to move out of your portfolio. How often do you take domain names out of your portfolio and sell them off to other investors as part of your process?

Doron Vermaat: I never used to do so but at the beginning of this year I was looking at my portfolio and...it's just that a lot of domains are registered the first year or even in the second year that...that are of much lesser quality than the ones I acquire now. And, you know, if you have a thousand domains, you know, you pay ten thousand U.S. dollars in renewal fees every month. So, one of my goals this year was to trim down my portfolio and go more quality over quantity and another decision I made was to close my accounts with Brandroot and BrandBucket, the two biggest brandable marketplaces where I've been very successful over the years. I've sold seventeen domains on BrandBucket. I've sold probably another eight with Brandroot over the years. So we've made a lot of money together.

Michael Cyger: Yeah.

Doron Vermaat: But the last one and a half years I've already started my new domains to use my own landing pages and I found out that I was making just as much sales doing it on my own without paying any commission, so for me that was a sign that most of the names you sell are sold through direct navigation. So it's not so much the marketplace that makes your domains sell. It's the quality of your domains.

Michael Cyger: Yeah.

Doron Vermaat: And if your domains are good, companies will come up with the name, type them into their browser and then buy them from wherever it's parked.

Michael Cyger: Yup.

Doron Vermaat: So if they're parked on BrandBucket or Brandroot or Sedo or Flippa then that's where your sales are going to happen, but after using my own landing pages I found out that if you use your own landing pages then that's where the inquiries come in and you can close your own deals, use escrow.com, and pace your own commission.

Michael Cyger: Yeah.

Doron Vermaat: So, I mean, I love BrandBucket. I also have a very good relationship with the people behind Brandroot. I love the brandable business model, you know? So I had a really good run with those sites but it was time for me to get the good names I still had listed there back in my own portfolio...on my own landers, and the names that I didn't really believe in so much...the one I registered during the first year I started domaining, a lot of these were invented names. I decided to...basically to drop, but instead of dropping them there's a...kind of a liquid value for them when they're listed on BrandBucket these days. So I just looked at my portfolio...I had maybe a hundred and twenty names on BrandBucket...the forty best names I gave notice and once they get from BrandBucket I could get them back on my own landers. And then the other sixty eight I think, from the top of my head, I decided to put up for auction on NamePros, because it's a bit of a gray area but you're allowed to auction your names on NamePros as long as you sell them to another BrandBucket seller so you can...they stay on the BrandBucket platform and...but during the auction on NamePros one of these domains in the portfolio I was offering sold on BrandBucket. And it was a domain...it sold for just under three thousand dollars so it was quite a decent sale.

Michael Cyger: Yeah.

Doron Vermaat: And so, I emailed the moderators and I said, well, "One of these names sold. What should I do? Can I replace it with another name"?

Michael Cyger: Yeah.

Doron Vermaat: Because obviously, you know, it's like a three thousand dollar sale and then they said, "No, we have rules in place. Do you know that the...the proceeds of the sale are for the owner or will be for the winner of the auction"? And I said, "Well, if those are the rules then, you know, there's nothing we can do about it."

Michael Cyger: Yup.

Doron Vermaat: "And the proceeds of the sale will go to the winner." And, but it kind of blew up because there's a lot of auctions on NamePros for BrandBucket names but...

Michael Cyger: Yeah.

Doron Vermaat: It never happened that one of these names...

Michael Cyger: Right.

Doron Vermaat: ...Would be sold at auction and then Raymond from [inaudible] he wrote about it and there was a thread one NamePros with, like, a couple hundred replies in like a day, so...and because of all that exposure the auction went actually really high, you know? So, I actually...instead of losing that three thousand dollar sale, my auction ended probably three thousand dollars higher than it would normally have been.

Michael Cyger: Sure.

Doron Vermaat: So I sold a whole lot at once and it was quite a, yeah, interesting experience.

Michael Cyger: Yeah. So you thought originally, a domain selling, that's going to screw up my auction. I don't know this is going to handle...

Doron Vermaat: Yeah.

Michael Cyger: ...But it led to whole bunch of press and helped gain visibility for the auction.

Doron Vermaat: Yeah, so, the...the auction got so much exposure.

Michael Cyger: Yeah.

Doron Vermaat: It was one of the most watched auctions probably on NamePros this year.

Michael Cyger: Yeah.

Doron Vermaat: So, in the end the bidding went pretty high up and...but yeah, basically the names I sold on NamePros were names I would not buy today and they...they are basically, you know, the kind of names I would drop.

Michael Cyger: Yeah, and so it's ironic that, like, one of the domain names sells during the auction because you...

Doron Vermaat: Yeah.

Michael Cyger: ...Think that it doesn't have value but clearly one of sixty eight sold...

Doron Vermaat: Well...

Michael Cyger: ...In that two weeks.

Doron Vermaat: It's a good example. I mean, I use my gut feeling...

Michael Cyger: Yup.

Doron Vermaat: ...For most of...because brandables are very hard to put a value on, so you have to use your experience and your gut feeling about what...what you think is going to sell and whatnot.

Michael Cyger: Yeah.

Doron Vermaat: But I'm definitely not error proof. I mean, I thought SchoolPenpals and that was a pretty mediocre name and it sold for two thousand, nine hundred, ninety bucks on Name...on BrandBucket. And I have another example. I liquidated some names on NameJet, and one of those names I sold on NameJet was techtuna.com. Pretty cool name, now I...I'm kind of...I like it a lot.

Michael Cyger: TechTuna, like the fish?

Doron Vermaat: Like the fish. Yeah. Like, TechTuna.

Michael Cyger: Yeah.

Doron Vermaat: So that sold on NameJet for, like, sixty nine bucks or something.

Michael Cyger: Yeah.

Doron Vermaat: It was in a big bulk liquidation [inaudible] with a bunch of other names I didn't really like anymore. But then the buyer of the name...he put it on BrandBucket and it sold a month later, probably for like two or 3k. So, it's a good example that, you know, I'm definitely not always right.

Michael Cyger: Yeah.

Doron Vermaat: Or, you know, sometimes my gut feeling is...is, you know, is wrong.

Michael Cyger: Yeah, and you know, I will say that, for the audience, every single investor I've ever met in my life has that type of example where...

Doron Vermaat: Yeah.

Michael Cyger: ...They thought a domain didn't have value and it ended up selling for more than...than they can imagine. Hey, Doron, we're way over it...we're hitting the hour and a half mark.

Doron Vermaat: Oh.

Michael Cyger: It's way past midnight, Hong Kong...I, you know, I...I want to conclude the interview with your thoughts on brandables going forward. You know, we're concluding 2016. It's...it's almost October and brandables are the talk of the year I think if you throw out the new gTLDs. But brandables are selling. More and more people are investing...

Doron Vermaat: Yeah.

Michael Cyger: ...Are buying brandables. Start-ups are looking for brandables. Do you see brandables continuing to be desirable...more desirable or less desirable or the same in 2017?

Doron Vermaat: More, more, yeah. Even now in the resale market, like on NameJet and stuff, you know, the good brandables, they...they sometimes go for thousands, you know?

Michael Cyger: I know, it's crazy, right? Because if you buy them for two thousand you have to sell it for fifteen, twenty thousand to hit your...

Doron Vermaat: Yeah, but...yeah. I mean, names like BetMonkey or MovingUp or StarTalent or, you know, ResumeHero...there's no way you're going to get these for under a thousand in today's market.

Michael Cyger: Yeah.

Doron Vermaat: But when I started three years ago, you know, there was hardly any competition for these type of names. I mean, brandables have always been selling well but I just think they've just been labeled in our industry recently, you know? There's...there's many great businesses built on brandable...

Michael Cyger: Yeah.

Doron Vermaat: ...Names, and so I think they've always been selling but the competition in the domainer...in the resale...in the resale market has really increased, which is good because if you buy names now they might be a lot more expensive than three years ago but it also means there's some liquid value.

Michael Cyger: Yeah.

Doron Vermaat: If you buy a name for one thousand, five hundred, it means that the second highest bidder was willing to pay just a little less than that, so...

Michael Cyger: Yeah.

Doron Vermaat: You know, these names are getting a bit more liquidity but prices have been going up and I think the value of good brandables will continue to go up.

Michael Cyger: Yeah.

Doron Vermaat: Absolutely.

Michael Cyger: Alright, if you have any questions please post them in the comments below this video on DomainSherpa and I'll ask Doron to come back and answer as many as he can. If you received benefit from today's show, learned something new, you know, or...on tightening up your...your responses to...to potential buyers to inquiries that are coming on, you know, gave you some new insights to think about doing research, please take a moment to thank today's Sherpa. I'm going to be the first to say thank you to Doron. Doron Vermaat, individual investor and founder of Efty.com, thank you for coming on the DomainSherpa Show, sharing some of your secrets for successful domain name investing, and thanks for being a DomainSherpa for others.

Doron Vermaat: Thanks, Mike.

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

Watch the full video at:

<http://www.domainsherpa.com/doron-vermaat-namerockstar/>