

Customer Focus Leads to Profitable Flip - With George Adu

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In this DomainSherpa Show, *Profitable Flips*, skilled domain name investors share all the details of how they bought low and sold high. On today's show, we're going to learn how a \$217.50 domain name bought in an eBay auction sold for \$15,500. Stay tuned.

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

First, if you're buying or selling a domain name or portfolio and you want an estimate of it's value, Estibot.com is the place to go. Just like you'd visit Zillow.com to get an estimate of a house value, Estibot.com provides key information about the most important statistics so you can make an informed decision based on data.

Second, whether you are buying, selling, brokering or financing a domain name you need an escrow company that is properly licensed, bonded, insured and audited. That company is Escrow.com and they have been doing it since 1999. Escrow.com – it's about trust.

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

This is the Domain Sherpa Show called Profitable Flips. In this series, I invite domain name investors to share all the details of how they bought low and sold high, an investment philosophy called value investing, where you can

buy assets that appear undervalued that at a later date will be valued properly by the market.

Today I am pleased to welcome George Adu, a domain name investor based in California. Welcome to the show, George.

George Adu: Hey Michael.

Michael: So, George, let's jump into it. What was the domain name that you purchased and how much did you pay for it?

George: The domain name was In-Sight dot com, so it is hyphenated.

Michael: Okay, so In-Sight dot com.

George: Correct.

Michael: All right. And how much did you pay for In-Sight dot com domain name?

George: I paid \$217.50 for it.

Michael: \$217.50. Okay, we are going to get into the details of how you did it and where you bought it and why you thought it was useful, but let's skip to the end real fast. What was the price that you sold the In-sight domain name for?

George: I sold it for \$15,500.

Michael: \$15,500. And how long did you own it?

George: I would like to say close to one year.

Michael: About one year. So, a profit of \$15,282.50 on a purchase price of \$217.50. But you probably paid one year of renewal in there since you held it for about one year, right?

George: I think I did. Yeah, because when I purchased it, I think a few months down the line it was coming up for renewal, so I already renewed it one year in advance.

Michael: Yeah, so an extra nine dollars. Just to be fair about all your costs that are in that one domain name. So, a pretty phenomenal flip there that we are going to get into. Are you a full-time domain name investor, George?

George: I would like to consider myself probably 60 percent overall my time committed to domain investing.

Michael: Yeah, 60 percent. And how many domain names do you own today?

George: I think it is about three thousand names total.

Michael: Wow, okay, three thousand names. That is quite a lot. And then what do you spend your other time doing? What is the other 40 percent that you are not domain name investing?

George: Well, I am a trained nurse. I am a registered nurse, and I work in the ER, sometimes in the ICU, and sometimes in mental health, and I also do some stock market trading. I do a little bit of real estate investing, and then I do some programming and web development for some clients. Mostly eCommerce web development.

Michael: Wow, you have got a lot of hats going on there, George.

George: Yeah.

Michael: In addition to that one. How many hours per week do you estimate that you "work"?

George: I am always working actually. I have my smartphone on me. I have my iPad on me. I go out. I get a phone call. I have got to follow up. I see an inquiry come through on one of my names. I respond to it. So, I am always pretty much working. And then, when I have to do the nursing work, I do that

at night, so I am a night shift nurse. So, I do not do that much of that these days, but yeah.

Michael: Wow, I am tired just thinking about all the jobs that you have, George, but that is awesome. I remember the days when I used to log my 60 to 80-hour weeks, and that is the way to get things done and hustle. And we are going to find out your hustle story in this one particular domain name, so let's go back in time and get the details of the purchase.

This domain name, In-Sight dot com. How did you come across the domain name for sale in the first place?

George: Well, I was browsing eBay I want to say last year or probably 2015, and I found a name. The thing that drew me to the name was the fact that the listing title said 18-year plus old domain name, registered since 1995, and so I like domain names that have age. So, when I saw that and I saw that it was an English word, I was like okay, let me check this out. So, of course I went in there and it was an auction style listing, so I started bidding on it too.

Michael: And were there multiple bidders on this domain name

George: There were. There were actually I think 18 or more other bidders with me.

Michael: Wow. Every once in a while, I think about eBay and I go there, looking for whatever. If I am going to buy something on Amazon, I will go and see if somebody is selling it used. Maybe it is brand new, but somebody wants to get rid of it, so I go check out eBay. And then I will look at the domain names every time, and I am like they are always terrible. And then I will go through a whole page and I am like that is it. I am done. I am off of eBay. But do you check eBay regularly? Is that one of the places that you go to look for diamonds in the rough?

George: I actually do not. This particular domain was an exception. I think I was shopping for something else on eBay, and I do not know how I navigated to the domain section, but I ended up there and I saw that listing. And this was a time where people were selling off the quad, premium domain names.

They had no idea what they were. They were just selling them for cheap, and so I saw a few of those. I never bid on them and now I regret it. I am like damn, I should have bought a bunch of them.

Michael: Right.

George: So, that was the time I was going on, so I saw that. I am always interested in English word domain names, so I saw that. It just captured my attention, and the fact that it has been registered since 1995, I was like let me check this out, so that is how.

Michael: Yeah, so 1995. That is an old domain name. When newer investors talk about their premium domain names that are for sale, they will often say things like this is a premium, aged domain name. It is over ten years old. And ten years really is not that long of an age. 1995, however, that is an old domain name.

George: Absolutely.

Michael: But I also teach in DN Academy that any domain name with a hyphen, unless it ends in .DE, usually is not a domain name that is worth investing in. Was it just the 1995 that made you think that this domain name had value, or did you do some other research before you bought the domain name?

George: Well, the 1995 drew me to pay attention to the listing in the first place, because I do not think he actually specified a domain name on the title. So, when I clicked on it is when I saw the domain name itself. But I mean I knew the hyphenated in-sight was actually word also, because to have insight into something is to have some knowledge into something, but then in-sight, which is if you have something that is in your sight, in your view. So, these two words. So, the hyphenated version is actually a real word. It is actually a real dictionary word when I found out through my little Googling and stuff that I did. So, that is how come I got interested in it.

Michael: Got you. I did not even realize that it was a real word. I was thinking that insight would be a phenomenal domain name. Six figures.

Maybe more. And I thought that they just put a hyphen in there and separated that word into two. So, insight there that you had, pun intended, people.

George: Right.

Michael: All right. So, 217. You were the highest bid. The auction ended on eBay. And did that transaction go through escrow or did you just use the eBay PayPal system to purchase the domain name?

George: I think I used the PayPal payment system. So, when I won, I just went ahead and paid for it. I was kind of excited to get it at that price, especially having about 18 more people trying to get the name. For me, I was lucky because it kind of ended late in Europe and the seller was from Europe and I was on the West Coast, so it was about I think 7PM for me, so I was able to stay up and bid on it. And as soon as it ended, I paid for it, and I think it took him a few more hours to wake up and get back to me with the transfer and all that stuff.

Michael: Did you do a full transfer or did you do it as a push from one account to another at the same registrar?

George: It was a Network Solutions name.

Michael: So, you having three thousand domain names, you understand the cost of Network Solutions and you wanted to get it out of there.

George: I was like let me get this out of there as soon as possible. And the guy was like oh, no, it is okay. I can push it to your account over there. I was like yeah, I know. I know all that, but I do not want my name sitting over there. So, it was a little struggle. He felt comfortable only with a push, and I also felt like okay, the push is faster for me because the transfer would take a few days. I do not know what is going to happen, so let me just accept it as a push and then, after that, I think the next day I said okay, let's get this out of here. So, I did the transfer from Network Solutions to Name.com.

Michael: Got it. Do you have all of your domains or most of your domains at Name.com? Is that the registrar of choice for you?

George: Yeah, I prefer them. The interface is very user friendly and I have been with them for a while. They know me by name, so when I call them up, they are like hey, what's up, George. That is a good thing too to have.

Michael: Yeah, they know you by name. Do you they give you some special discounts as well because you do have a lot of domain names there?

George: Right, I have a special account with them. Yeah.

Michael: Yeah, excellent. So, the prior owner pushed it over to your account for free and it is almost instantaneous, and then you had your time to then transfer. You got the authorization code and you bought a transfer at Name.com, and then they initiated the transfer. You enter the authorization code. It goes over there for one year's registration basically.

George: Right.

Michael: As soon as you got it into your Name.com account, what is the first thing that you did on it to offer it for sale to others?

George: I think I changed the name servers to DomainNameSales.com. That is where I park my names. I park some at Sedo as well, but most of my names are at DNS. So, I add it to my portfolio there and just let it sit. As a matter of fact, I forgot about it for a while, since I am trying to manage the other names and stuff like that, but I knew it was a rather good name because of the fact that it has been registered for so long and it being an English word.

Michael: Yeah, definitely. So, a lot of newer investors will ask: how do I get my domains on DomainNameSales so that I can use their landing page? It is actually a closed system. You have to have a certain number of domain names that have a certain quality in order to get accepted on to DomainNameSales.com. And actually they are switching over. They are developing UniRegistry.com to allow you to host your domain names on landing pages there. That should be available sometime around when this interview goes live, so you can go over to UniRegistry and check that out.

So, you had it as a parked page. A landing page on the Domain Name Sales system, George, and I understand there is a couple ways that you can have your landing pages. One is you can just say In-Sight dot com is for sale. Make an offer, and there are some contact forms. And another one has a parking page with a bunch of advertisement, and then there is a banner at the top, saying this domain name may be for sale. Contact us. Do you use a parking page or do you use a for-sale landing page?

George: So, they have one that has ads and stuff like that. What I use is a plain landing page that just says this name may be available, and I like that terminology. May be available, because especially if it is a trademark name, I am not saying I am selling it. I said it may be available. So, it is like that and it has the lead capture form, which is your name, your email, and your phone number. That is my setup. I used to have them landing on a page with ads, but I found it confused potential buyers a lot, so I took that off, and the parking revenue is not really worth jeopardizing a sale, so I just took that off and just had a simple landing page to collect the leads and then follow up with them.

Michael: I agree. All right, simple landing pages, and then DNS allows you to then monitor the traffic as well. How many inquiries did you receive on that domain name using that landing page form in the year that you owned it?

George: I want to say about ten to eleven.

Michael: Wow, so you got one inquiry per month on that domain name.

George: Something like that. Right.

Michael: And what kinds of offers were they? What kinds of inquiries did you receive?

George: Well, I had some that came in and basically offered five dollars and I never responded to them, and then somebody else comes up and says 50 bucks. And so, yeah, they were in between five and 50, one hundred, two hundred dollars. Something like that.

Michael: And which ones would you reply to and which ones would you not reply to?

George: I have a little system that I developed over the years. I look at the email address. If it is an email address that looks trustworthy, if it is a company email address, even if it is a Gmail account, but the prefix before the @ sign, the way it says it. If it is a bunch of numbers or mixed up numbers and alphabets, I know I cannot really. So, it depends. I look at those things and then where the inquiry is coming from, so the location. DNS gives you the IP address and gives you where it is coming from. So, I look at where the location of the inquiry and also if the domain name is an English name and the person inquiring maybe from California or the US, or the UK or an English-speaking country, then I know it is relevant and I go ahead and either reply to it or call them.

So, there are several factors that come into play, depending on the name and the person and the inquiry.

Michael: Yeah. So, if I inquired on this domain name and sent it from MichaelCyger@Gmail.com, you might reply back. But if I sent it from MichaelIsTooSexy84@Gmail.com, you might not.

George: It depends if you are offering a larger amount. If you offered like three thousand, then yes. Oh, okay. Why not? I will get back to you, and then see what it is all about, because sometimes you do have a true, legitimate inquiry and maybe they want to go discrete on you. They go ahead and register some really fake, bogus email address and contact you that way of course so they could get a good deal on the purchase. So, it is a different permutation of events that lead you to think of how to respond and if to respond and not to respond and all that stuff, but I think it is better to respond because sometimes you never know.

I have had too many instances and I have learned from them, so that informs my judgment about who to get back to.

Michael: So, in your response, George, you said sometimes you email them a response and sometimes you call them.

George: Absolutely.

Michael: How do you determine if you are going to email them or if you are going to call them? What is your decision process?

George: The majority of the weight that makes me decide whether to call or to respond by email is on the offer amount they give. So, if they come in there and say okay. I have all my names at a minimum offer of two thousand dollars, so once somebody offers that or above that, then I am like okay, this is a serious offer. But sometimes I can see a (Unclear 17:37.7) offer and I feel like okay, that is legitimate. Looking at the name and looking at the offers, it is like okay, let me. If it is during the day time wherever the person is and if they provide a phone number, that is a good indication that oh, this person is serious, because when I am filling out forms online, I do not always put my phone number because I do not want to be called. It is better to email me and I can respond to you by email.

Michael: Right.

George: So, if they do include their phone number, I see it as another step above, meaning that they are a little serious, so I pick up the phone and call them. I prefer to call them than emailing because I get them on the phone and say hey, I saw your inquiry. I am just calling you to discuss your interest. Stuff like that. And a few times, they will be like oh, I am so sorry. I was browsing the website and I landed on that thing. I did not even know what I was doing.

Michael: Yeah, we were chatting about this in the pre-interview. You have a travel type of domain name and people will come there and yes, I would like to book travel. Please contact me back.

George: Exactly.

Michael: It says this domain name may be for sale at the top, not email us and we will book your travel, but people are funny.

George: People are funny. And like you said, that is when you know you have a good name, when people can just browse to it and (Unclear 18:55.7) writing with the landing page, and I have had that happen several times. I call people up. And actually one of my names is Visitations.net. This is recently. I had an inquiry on it, and so it took me about two days to reply because I was busy. And when I did reply, this person emailed back, saying oh my gosh, no, I think my cousin, she said, is in San Quentin jail or something like that.

Michael: I was just trying to book a visitation to my brother.

George: And I was like oh, man, I am sorry. You might want to check with the county, or stuff like that. So, it is interesting. You do get stuff.

Michael: Oh yeah. All right. So, you received an inquiry this month or last month from somebody not in the United States and not the buyer of the In-Sight dot com domain name. Who reached out to you and how did they contact you?

George: Yeah, so I got an email that says I have an inquiry waiting for me in the system. So, I log in the system. Actually in the email I can tell who it is because it shows you the person's name and email address and their location. So, I saw that and then immediately I did not log into DNS. I waited for some time. This is one of the things that I do also. When I receive an inquiry, I do not respond right away. I wait for maybe a few minutes because the system will send them an email to confirm their interest. And then, if they do, that is another step showing that they really meant to inquire on the name. Then they can go ahead and make an offer.

So, I wait for the offer process to begin. So, this particular person inquired about the name. They clicked on the confirmation link. Then came back to the site and gave an offer, and so I think the first offer this person made was 50 dollars. And I waited because the process, again, when you offer an amount, since my minimum offer amount was two thousand dollars, the system told the person that hey, this is below what the seller is looking for, so go ahead and make an additional offer if you so wish.

So, I wait for this process to kind of exhaust itself maybe for about 20 minutes, so in about the next five minutes, this person offers an additional I think two hundred dollars. Then the person goes up to five hundred dollars. Then, about 25 minutes later, it is one thousand dollars. So, that is when I knew okay, this is a serious buyer. They are probably trying to figure out how to work the system. So, I go into the system and I login. I find out that oh, this person is from Japan. I was like oh, that is interesting. From Japan, not an English-speaking country, looking for an English domain name, but they are serious. They are communicating with the system, so let me reach out.

And so, that was my decision process on whether to respond to this buyer or not, because of the offer seemed serious.

Michael: Yeah, and it did not deter you that this person was in Japan.

George: Not at all. I pick up the phone and call folks. I called this guy from Turkey at 2AM in the morning his time, and he picks up, like hello. I was like yeah, hey, this is George. You landed on my website. You wanted to inquire about this name. He was like oh yeah, how much is it. So, we talked for about five minutes and he said send him an email. We are still negotiating on the price as we speak, but I do not shy on calling people at all.

Michael: Yeah. Okay, so this person from Japan inquired on the domain name. Went up to one thousand dollars and you immediately picked up your cellphone or (Unclear 22:45.8) phone, or what, and dialed Japan?

George: My cellphone.

Michael: Your cellphone.

George: Yeah, I have this. I think it is an account, so you can call International numbers. I put credit in it and I could use my phone. My cellphone.

Michael: Yeah, International dialing. So, you called Japan and what happened in the conversation?

George: So, it is a lady. She answers. She is like hello, and I am like oh yeah, this is George. I am calling you because you had inquired about one of the names that we own, and I just wanted to discuss your interest in the name, and I mentioned the name of course. She said oh yeah, my partner and myself were interested in the name and that is why we came there to make the offer. How much is it? But I was not interested in telling her how much I want. I really wanted to find out what she is interested in using the name for because that would then let me know how to price the name.

So, she says that we are starting a business and they need a name for the business, and it is very relevant to what they are trying to do. They have a few other options, but they prefer this one. So, I was like yeah, that is a great name. Did you know it has been around since 1995? I am trying to sell it. She is like no, I did not know that. I was like yeah, it is a great name. It has been owned for a long time, so we are looking for something in the ten-thousand-dollar range. Are you interested?

Now, before I mentioned the price, we had already talked a little bit and she had indicated that their maximum amount they would be willing to pay for it was one thousand dollars. So, when I knew that, I knew that I could go times ten and ask for that to see what she would say, but she was pretty set on that thousand dollars. That is all they have. They have other options. If this will not work out, they can try something else.

Michael: Yeah, and you thought she is probably not lying. You could probably get a lot of domain names, especially ones with hyphens for one thousand dollars. So, how did you leave the conversation?

George: Well, I told her that we will continue the communication via email, but she had to talk to her partner as well. So, I said well, let me speak with my team and see what we can do for you, but in the meantime, you can check on the system and see the conversation we are having. And if you are interested, I mean we are willing to sell the name to you as soon as possible, because they were trying to start a website and they really needed a name, but she made it clear to me that they are maxed out at one thousand dollars.

Michael: Yeah, and so you did not feel like she was just hedging her bets and negotiating hard. You felt that her budget probably was about one thousand dollars.

George: Yes. The sense that I got from the conversation was that that is pretty much what they had, and she sounded like it was true, and the fact that they have other options. They actually had some names picked already, but they wanted to hear from me first before they made a decision, but that was pretty much what they had.

Michael: So, you hung up the phone. You went back. You thought about it. Did you respond back to her via email or did she respond to you first?

George: So, after I hang up, I was debating. I was like man, one thousand dollars. This is some good money. I can pay my car note for this month. Should I sell it to her right now, because I am scared she might go and register one of those names she is interested in?

Michael: Right, you have got to get it while the inquiry is hot.

George: Yeah, Bob Marley says something like that. Strike the hammer while the iron is hot. Something like that.

Michael: Right.

George: So, I was like I do not want to lose this sale. One thousand dollars. So, it was a huge dilemma for me, but I let it sit through the night because it was nighttime for me. It was daytime in Japan. And so, during the daytime, what I am going to do is go ahead and do some research and see what else I can find related to the name and see if I can find another potential buyer that I can present the name to. Then I can make my decision to call her back or email her back and say hey, okay, let's do this.

Michael: Yeah, okay. And so, you did some research. Where did you go to research and what did you do?

George: Initially I went to Google and basically just typed in the name in quotes without a .COM, and then I had a few results that came out. And I just clicked on one of the results and it landed on the page that had exact name with a hyphen in there and it was a product name. I was like oh, wow, that is interesting. Why didn't I do this all this time that I owned the name?

Michael: Right.

George: So, I saw that and I was like oh, that is interesting. Now, what do I do? And I decided to email the company.

Michael: Okay, and so who did you email in the company?

George: Well, I emailed a bunch of folks in the company. I emailed the CEO and the vice president. I emailed the marketing guy. I think it was a total of five people that I emailed.

Michael: How did you get the CEO, the COO, and the marketing guy? How did you get the contact information for all those people?

George: Well, I use a service and probably after this, if your audience is interested, I will put up a little paper to kind of share my steps and the tool that I use for prospecting and stuff like that, but I was able to get contact information and I emailed them. I CCed all of these people. I sent them a very interesting email, and then I think five minutes after that I called them too. I found a phone number and I called, and it went to the front desk and I said may I speak with so and so, because I know the name of the CEO. And he was like oh, okay. What is this about?

And so, I have a business matter to discuss with him. Could you kindly put me through? She said okay, hold on, and then she actually did transfer me to the CEO, but he was busy, so his assistant I think picked up, of course. So, the assistant picks up. He was like oh, I am in a meeting. Can I give you a call back? Can you leave your phone number with the front desk, so we can call you back? And I did so, but no call came through and I proceeded to call back and ask for the marketing person. And I got his voicemail and I left him

a message, telling him that I would also email him, so he can get back to me if the content of the email interests him.

Michael: Okay. So, you basically sent the email to everybody. They were all on the to distribution of the email, so did they all see that they were each getting a copy of this email?

George: Exactly, and I did that on purpose, because I said that I was not sure which department was the right department for this communication, so CCed these people in the communication as well. Could you please forward it to the right department?

Michael: Sure, and then you followed up with a couple of people. So, I just typed in In-Sight dot com into my browser and it takes me to a company called Cognex, and the very first screen says In-Sight 2000, so that is exactly what you found when you did the search, is that they are promoting their product, which uses that name.

George: Exactly. That is the exact name that they have for that product.

Michael: Yeah, and this is no small company. This is not a million-dollar small business. This is a NASDAQ listed company.

George: Yeah, it is a big company.

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Michael: Yeah. So, you emailed the entire leadership team that is based in Natick, Massachusetts it looks like.

George: Massachusetts, right.

Michael: And then you called a couple of them and you left a message, and so you were thinking I am going to play this company potentially off the startup in Japan that potentially wants the domain name. So, after you sent the email and placed a couple of voicemails to the company, what happened next?

George: So, after all these emails and the phone calls, I am thinking this is an over 500-million-dollar-per-year company. It is a huge company. Am I doing the right thing? Am I stepping on toes? Am I overreaching? The way I inquired and sent the emails, and stuff like that. But I am driving around and I get a phone call, and I am looking at my phone and it says from Massachusetts. I do not know if it is a debt collector or who, so I am not trying to talk to debt collectors today. So, I let the phone ring for a few minutes. I was like okay, you know what. Let me answer, because on my phone, I have my Google voice number and my regular number coming to the same phone.

So, I answer the phone. When I answer the call, if it is was my Google voice that was called, it will have a greeting, so I would know where the call is coming from before I actually answer, so that was a good thing that I had on there. So, when I answered, it says somebody from Cognex, so I was like oh, yeah, so I swiped and I answered the phone. And he was like hey, this is so and so from Cognex. You had emailed me and I also got your voicemail. And I was like yes, I was the one that emailed you and left you a voicemail regarding this name. And of course he was like oh, so what is it about the

name, and I had to tell him the story that it is a name that my company owns and I had an inquiry from a prospective buyer from Japan and I was just trying to reach out to other interested parties and other parties that may be interested in the name, so you were one of the folks that was on my short list and that is why I contacted you.

So, he was like ah, interested. Who is this company that you talk about in Japan? I said I am not really sure who they are, but that is what they told me, that they were trying to use it to start a business and stuff like that. So, it appears that he knows something about that. He knows there is a company in Japan that is trying to manufacture products that they have right now, so this could be a potential competitor. They are trying to acquire the name to kind of use it and undercut their sales.

Michael: Right.

George: So, I think this was the main reason why he actually responded to my emails and phone call.

Michael: Because he knew about it, but he asked you what you knew about it because he was just trying to get all the information he could about it.

George: Exactly.

Michael: And who was this? Was this the CEO that called you back, or somebody else?

George: This was the President of Marketing, or something like that. He is the big guy in marketing.

Michael: The Chief Marketing Officer basically.

George: So, he was the one who called me directly and he was like yeah, oh wow, thank you so much for contacting me about it because you know there is a competitor in Japan that is trying to do something like that. So, I mean he is basically hooked at that moment. He really wants the name. And he was like well, what are you looking for, for the name, and I was like oh man. That

is a critical moment. What do you say? Do you say a huge price that was (Unclear 35:15.5)? I do not want to undersell the name as well, so I did not answer the question directly.

I was like oh, so yeah. I still wanted to sign him back to that, thinking that this was a potential competitor that wanted the name, but they had offered about ten thousand dollars and that is pretty much where we were willing to let the name go for. But after we had learned that they were very interested to use it for a company, we asked them to email us and they were thinking about that. But if you are interested in the name, we could make it happen today for \$15,500. And he was like oh, really. Well, let me get back to you on that. I will give you a call back in about five minutes. Let me call my CEO. I said sure, no problem.

Michael: So, in that split second, why did you say \$15,500? What was the five hundred that made you think like not 15 thousand, not 16 thousand?

George: Right. I like to price my names that way. I do a little bit of marketing myself and the psychology of prices and numbers. You want to make it seem like it is an exact number, possibly an odd number, so they know that it is like a real price. You did not just spit it out. So, \$15,500 sounded like something that I had given thought to. At least that is what I was looking at it like.

Michael: Yeah.

George: So, when he heard it, it sounded to him too, like that is a price of something. It was not a negotiation. It sounded like a price. This is the price for the name.

Michael: All right, so let me pause the story right there, George, and go back to this email that you sent to the leadership team at Cognex. What was the subject and what did the email body say that got the Chief Marketing Officer to give you a call back?

George: So, this is also part of the information I will be providing later on. I will write something out and share it to your audience.

Michael: Great.

George: But basically the subject matter was sorry for such a short notice.

Michael: Sorry for such short notice.

George: Yeah, something like that.

Michael: Something like that.

George: Yeah. And of course when you see something like that, you are like who is this. What is going on? So, I think that is what maybe increased my open rate for the email itself.

Michael: Yeah, it is different. Somebody is apologizing. You are like oh, am I about to miss something. Who is this? It is not like domain name for sale. It is out of the ordinary. It makes them sort of guess. So, then what was in the body of the email, George?

George: Well, I pretty much said hello to everyone. I introduced myself, my company, and something to the fact that we own this name. That I think coincides with the product name and the product line is called this, and we own the exact match name. We have had an inquiry on the name from a prospected buyer that is very interested in buying the name, but we wanted to reach out to some other potentially interested parties to see if they want the name. Due to the nature of the transaction, we do not have a lot of time to do the normal process. So, if you are interested, kindly reach to me via email or phone number. I put my phone number there. And we can discuss further. And by the way, I was not sure which department was the right department for this, so could you kindly forward this to the right department? And then I sign off. Sincerely, my name.

So, it looked professional.

Michael: Yeah, it was a professional one, and you said you sent it from your company. Which company is that?

George: Well, one of my companies is Silver Spoon Branding.

Michael: Silver Spoon Branding. So, they look at that and they are like oh, this is a branding company, so it is not like XY425@Yahoo.com emailing with just a first name as the salutation. It is a full company domain name. You have a website that matches. You sign off with your full signature and phone number and email. You feel like a professional coming across.

George: Right. So, in the signature, that is all true. I had my name and my company name. Then I hyperlinked it, so they can just click on it. And one good thing is my business name is also an SSL. HTTPS. So, that all adds to the credibility of the company.

Michael: Definitely.

George: My phone number. I did not put my entire address, but I put my city and the state and the phone number. So, that was good.

Michael: Okay. So, the CMO calls you up. You have a conversation. You tell the Chief Marketing Officer \$15,500 for the domain name. He says all right, let me talk to the team. I will contact you back. You hang up. How long of a delay is there between that conversation and the next time he contacts you?

George: I think it was about seven minutes.

Michael: Seven minutes.

George: Yeah. So, I park my car actually. I park the car and just waited for his call because I did not want to be on the road while he called if called within the next ten minutes, so I just wanted to wait for him for like ten minutes and see if he was going to call back or not. But I felt like he was going to call back because he was very interested, and at that point, all he needed was the approval from the CEO and I knew he was going to sell the name for me because he was going to tell the CEO why they should buy the name and all that stuff. And he said it was actually late for him. I think it was

about 7PM his time, so he was already en route to his house. He already left work, so he had to park off the highway and call the CEO.

So, when he called me back, that is what he said he had to do. So, he calls me back in about seven minutes and he says George, hey, this is so and so from Cognex. I spoke to my CEO and hey, let's do it. That is exactly what he said.

Michael: You are like yes! That was the fastest sale you have ever made in your life.

George: Absolutely. It felt good. It felt good.

Michael: But the deal did not just fund quickly and everybody is a happy camper. There were a couple of roadblocks along the way.

George: Of course.

Michael: What happened after you got on the phone, he said I will take it for \$15,500, you said great and you hung up? What was the next step and what happened?

George: So, I had asked him if they are familiar with Escrow.com and that we could use their service for the benefit for himself and myself? So, the funds are protected. As soon as I transfer the asset and they have the asset in their possession, then you can go to the platform and see we have accepted and we have received the asset. Then Escrow.com will release the funds to me. So, he says he has not used the service before, so we will continue talking tomorrow via email, but pretty much still go ahead and set up a escrow transaction to his email address.

And I think he gets it in the morning and he is trying to talk to him team on how to do their due diligence and all that stuff and make the payment. So, it was not smooth. For one, the email that I sent out to them and the subsequent emails that went out from me to them - something had happened in the Gmail interface that I was using. So, usually I have my company email address, I have my company website, and I can log into my cPanel and send emails through my email client. Iron, Cube, and (Unclear 43:24.0). All those clients,

but there are a few more steps to get to that point. So, what I did was I connected my email to my Gmail account somehow through the settings so that I could actually send email from my Gmail account, but have the send from name and email be my company email address.

Michael: Right.

George: So, usually it works. When the receiver receives an email, they would see from George Adu from SilverSpoonBranding.com. It has worked every time, but this time with them it failed. And the reason I know is because when they responded to one of my emails, I saw that they had responded to my Gmail address, because Gmail tries to mask that address and send it as if it is coming from a business address. But this company, because it is a huge company, has a very, very strong security system so that all the emails that get sent through their system are pretty much made naked, so to speak.

Michael: Right, stripped down, yeah.

George: So, they strip down all this masking and all that stuff.

Michael: Yeah.

George: So, they see that the email is actually coming from my Gmail account and it is a very interesting account. It is like I Love Me and some numbers at Gmail.com.

Michael: Exactly the kind of domain name you do not want to send from, right?

George: Exactly. Exactly. So, I was like oh, crap, this is now a complicated issue, because now they see that this person is sending an email from I Love Me some numbers at Gmail.com and he is selling a domain name to us, and he spoke to us on the phone. He has an accent. Where is he from? Where is he calling? So, it got a little complicated. I do have an accent. It is nothing personal. So, what I told some of my friend was like look, you have to know that when you are dealing with some people, you are going to have to go

through some roadblocks and it is good to know yourself because then you can prefer to answer them effectively.

So, usually when I talk to people for business purposes, as soon as they answer the phone, it is like if you do not understand what I am saying, just let me know and I will repeat myself because sometimes my words do not come out with the right tone and stuff like that, that you are used to, and I have no problem with that. It is totally fine with me because of course I speak German. If I were to speak German to an English-speaking person, they may not understand what I am saying with the accent and all that stuff, so it is totally fine with me.

So, these few things complicate the issue. Now he is sending emails from a Gmail account. He says it is a company. He is using a Google voice number. When they call me, they hear a greeting saying you have reached this Google voice number, say your name and we will connect you.

Michael: Right, so not entirely professional. They are probably thinking why isn't there a voicemail that says this is George with Silver Spoon Branding? Sorry, I cannot take your message. Please leave me a message at the tone. Right? That is what they are thinking.

George: Exactly, and I am aware of this and I am like oh, wow. So, as some advice to all of you guys watching this, please. These days cellphone plans are so cheap. You can buy a cellphone plan for like maybe 20 bucks per month, just for phone call and text messaging. Just get one of those. Buy a very cheap phone. Dedicate that phone only for business purposes. So, when they call you, you know this is for business, so you answer the phone with your business name. So, in my case, I am answering a Google voice number. I do not know who is calling me. I am thinking it is a debt collector. I do not answer the phone right away. I wait for some time. Then I do answer and I do not even greet him as this is George from Silver Spoon Branding. I am like hello, who is this.

Michael: Yeah, so they are getting a lot of sort of flags going off in their head that hey, this is not aligning with the professional business that I thought it

was that was looking out for our better interest and offering us this domain name that matches one of our products. There are a lot of flags going up.

George: A lot of flags.

Michael: So, do they actually say anything to you? How did you know that all these flags were going up and that they might be concerned about the transaction?

George: I knew they might be concerned after I found out that my email had been dispersed through the entire company to very different departments, and one of the departments was the security department. And so, I get an email from the guy that is heading the security department and he says oh, thank you so much for your email. We are interested in your name, but we are doing our due diligence, both for the payment process that you mentioned and also the name itself. So, I am looking at the signature of this person and this guy is an ex-military person. He was a big guy in the military and he has got I think it is called (Unclear 48:26.5) or something like that. It is the Security Industry Association's highest certificate you can get, and he is certified like that.

So, I was like this is serious stuff. So, he is trying to do all this due diligence. He is trying to find out who owns this name. He is stripping all my emails and my web addresses and stuff like that. So, I tell them yeah, I am aware of the situation. I just found out that actually I was sending my emails through Gmail because it was much more convenient for me, but actually this is my company name. You can check out my website. Stuff like that. And he replies back. That is totally fine. We have a system in place that strips all the emails, so we can know where it is coming from and all that stuff, so do not worry about that. That is fine. We were interested in the name.

So, in this particular situation, if it had been an mediocre name that they were not really interested in, I could have lost this chance because of all these red flags, but it helped my cause because they really, really wanted the name. So, all they needed to do to make sure they would go ahead with the transaction was to make sure that I owned the name that I was trying to sell and also that

the payment process I am trying to walk them through is not some kind of scam.

Michael: Right.

George: So, I told them to go to Escrow.com. Big companies like FedEx and UPS and eBay and all those use that service, so go ahead and check it out. So, he goes and he emails a couple of other folks and he gets back to me at a later point. So, I am sitting down and I am like oh man, this is a problem.

Michael: You are thinking I may have screwed up this sale.

George: Exactly. So, the point of contact. The marketing guy emails me saying they are still trying to figure out the escrow process, so I am getting the sense that they are not very comfortable with this escrow service that I was trying to explain to them. So, I was like okay, what is plan B here. So, I email him back and say you know what. Let's do this. Why don't I go ahead and transfer the name to you first, you receive the name, you verify that you received the name, and then you can submit payment. Within three minutes, he response said George, you just made this whole process so easy for me. Thank you so much for offering this alternative because he was on the hot seat.

He was trying to convince all these folks to kind of go ahead with this transaction, so it made his job very easy that I said I would actually go ahead and transfer the name first to them. And he was like please do it. If you can do that, that would be very, very much appreciated.

Michael: So, you sensed that he was having a problem. You are getting these questions about escrow, which everybody knows that escrow processes in general happen in financial transactions. That is not anything new, but they just have never used Escrow.com and needed to figure out the process, and so that was new to them. You felt it was a hesitation and, unbelievably, you said I will just transfer the domain name to you, and then you can pay me after. You were that confident that they were going to pay you because they are a NASDAQ listed, 500-million-dollar company.

George: Right. Absolutely.

Michael: Wow, all right.

George: These are the kinds of things as a domain investor you have to be very good at. Sensing what the other party is thinking because if you only concentrate on yourself - you want to sell this name, you want the money, you are already thinking about what to do with the money. You are so full of the sales process that you will miss out on what they are going through as well because this is a huge acquisition for them. \$15,500. I mean that is no small change. Even though this is a 500-million-dollar company, it is still a good sum.

So, I put myself in their shoes. If I am the one at the receiving end and I am dealing with this person with all these red flags, what can I do? So, I was like okay, let's go to the next step ahead. I will go ahead and I will take all the risk.

Michael: So, you were not sure. You did not ask them. Like hey, are you having a problem with escrow? Can we come up with another process? You just sensed that that was the issue and then suggested a solution.

George: Right, I sensed it and that is what made him think like oh, this guy is really.

Michael: He is a forward thinker. He is thinking in our shoes. He is thinking about the problems that I am having.

George: Exactly.

Michael: Okay, so it was Name.com, the registrar, at that point. Did he have an account there that you just pushed it to his account?

George: So, he gets me in touch with his web team and the web team was not particularly keen to opening a Name.com account. They said we have all our names at Network Solutions, so could you transfer it there. And I responded. I said no offense to Network Solutions, but they are the oldest player in the

game and they have not innovated over the years, so it is a little bit of a process to get names transferred there and I prefer to use Name.com. The name is there right now. If you should go and create a free account, it is free of charge. Create an account. I can move the name to you within five minutes or less. And I said this is the benefit to you.

So, all this process I am trying to make them feel like this is what is in it for you. I never mentioned anything about myself, the money or anything like that. I am always trying to paint the picture as this is what you are going to get. I said you get the name right away. You can start using the name right away. You can point name servers to your website and all that. As soon as the DNS propagates, you have the name finding wherever you want.

Michael: Right.

George: And then you can send me the money later on.

Michael: And so, their web team was okay with that, creating an account and doing the push?

George: They were totally fine. They went ahead and did it. Sent me an email, saying this is the account code. I told them where to find the account code and all that.

Michael: Nice.

George: So, they sent it to me and I said okay, great. I went ahead and then confirmed it with the marketing guys. I said okay, I got the Name.com account code. I am going to push it now. And as soon as it has gone through, you are going to receive an email and I will also email you saying it is done. So, I go ahead and do it. He is like thank you so much. We have a meeting right now, because they had a meeting with a government official or something like that, because they do sell to government and institutions. So, they had all these meetings going on, so she is going to have the President of Treasury contact me later on, and I am like wow.

Michael: Not even like an accounts payable representative or anything.

George: No, treasury department. So, treasury gets back to me, saying oh, thank you so much for doing this for us. Now, I have gone ahead and created an escrow account, but I am still not really comfortable with this, so how else can we pay you? And I was like oh, this is pretty cool. So, I emailed her back, saying oh, can we do a wire transfer to my bank account? She is like sure, please. Send me over the account details and we will get it done.

Michael: So, I do not think I have ever done business, and I have a few different publishing companies. I do not think I have ever done business with somebody in the United States that says yeah, I will just send you the wire. Send me your contact information. It is always like send me an invoice. Send me your W-9 form to show that you are an operating business, and then we will put it through our process and in a couple of weeks it will happen. This person at Cognex just got your wire information and wired you the funds immediately.

George: Right away, because this shows how they were very interested in the name. And the marketing guy, like I said, pretty much did a lot of work for me because he really wanted the name because this is the exact product name they have.

Michael: Right.

George: And I am contacting them. I am letting them know there is a potential acquirer from Japan. They know there are people trying to do something to get market share from them, and if they do not acquire this name and this Japanese company acquires them, if this company grows and takes market share, they may have to buy this company out and that is millions of dollars to buy this company. So, this is a prudent investment on their behalf. He wants to get the name and I made the process much easier for him to get the name.

Michael: Totally. So, the treasury department at Cognex ends up sending the wire transfer. Does it show up that day?

George: It shows up in about 30 to 35 minutes. I call my bank. I say hey, I have this wire coming through. I give them the federal number so they can check while it is in transit. So, they confirm yeah, it is in transit. It is going to go through the NVI system, because once I think a wire or transfer of about ten thousand dollars goes through the entire money laundering system that they have, and after that it will post in my account. And it sure did in about ten minutes time.

Michael: Wow. So, the money showed up. And the relationship did not stop just when the domain name and the money changed hands. You continue to have a relationship with them today.

George: Absolutely. I continue to have a relationship with them on different levels. Actually paid relationship, so I am paid to do a whole lot of stuff for them as of now.

Michael: In what ways? I know you do not want to necessarily go into the details, but at a high level, is it sort of on the eCommerce side, on the branding side, or in what ways?

George: It is mostly on the branding side, so I am working with their web team and the marketing team to do some things, and I think this relationship will grow as time goes on as well. So, I hope to cultivate it and of course I always want to over-deliver because that is what I think I did on this process to try to identify the troubles they are having and think one step ahead and make the deal happen. So, he liked that approach and he offered me to actually do some stuff for them, so I am actually working on that on a huge project for them at the moment.

Michael: That is awesome. So, do you ever think back on the transaction and wonder if you undersold it or if it was the right price?

George: I try not to have the second thoughts because it just messes up in your mind. It is already done. It is done with, but yeah, sure. I mean \$15,500. It takes most people in America.

Michael: That is like more than half a year for most people in America, right, of salary that is.

George: Yeah, so I look at it in the big picture in perspective. I bought a name for \$217.50. Sure, I could have asked for 50 grand, but who knows. If I had said 50 grand, it might have pushed them off a little bit or even totally and said we do not think we can do this because they do sense the greed in your voice, also because it is a human being. It is like okay, now you are trying to corner me because you know I need this name, or you figured out that I need this name and just by the sheer knowledge that you are trying to extract too much from them, they might just say forget it.

Michael: Right.

George: And it happens a lot in business, when the other party feels like they are being taken advantage of and they just say well, I need it, but thanks. No thanks. So, you have to be realistic and of course it is a good practice for people listening and watching to go through sale numbers and previous sales history because that gives you a pretty good indication on how to price your names in a situation like this. And if you are on the phone with a prospect and you have to give out a price and you are pretty much put in a corner, it is good to know that you have some numbers that you can kind of rely on and say okay, something sold for this range, so I can ask for this much for my name.

Michael: Definitely. George, did you treat yourself to anything special with the 15-thousand-dollar payday that you got that day?

George: Well, I had a bunch of names coming up for renewal, so I reinvested it in the business and renewed a bunch of names and I paid for my car notes. My two Audi ALs.

Michael: Are you a car guy, having two Audis?

George: I love cars. Cars and shoes. Those are my addictions.

Michael: Those are your things, huh.

George: Yeah.

Michael: Awesome. So, if anybody watching this show wants to go and look at your portfolio and see the others types of domains they have, is there some place they can go and view them, George?

George: I have a few marketplaces. My main domain name investing website is SilverSpoonBranding.com. If you go there, you see something at the bottom. There is a link that says marketplaces, and I have three different slots that would take you to. I have a pretty good collection of .IOs that I have had a lot of good sales from. A lot of these startups are buying a lot of .IOs from me because they are actually very good .IOs. And you can get those at Brandable.io. That is my brandable marketplace for .IOs.

Michael: Nice. Brandable.io. Okay.

George: Yeah. You can go there, or you can just go to SilverSpoonBranding.com and it will lead you to all those different marketplaces.

Michael: And have you changed your tactics on domain names now that you have done outreach and it has paid off in such a big way? Have you changed? Are you doing more outbound or are you still mostly waiting for inbound offers to arrive?

George: I am doing more outbounds, and I have always loved outbound because it takes a lot of time for an inbound inquiry unless your name is really great and it happens that a person really, really wants a specific name for their business or it is another domainer who wants to purchase a name from you, which is mostly the case. So, I find that outbound marketing pays off. It pays off pretty well. So, I am doing more of that. I have actually gone back to my portfolio. Looked through it and said hey, man, these are names that I think companies can use. Why don't you reach out to them first? The worst they can tell you is no, and I have had a lot of no's in my life, so I am immune to no's at this point, so I do not even care at all. Seriously. I have seen a lot of stuff.

So, I do not care. I just call them up or email them. I am very comfortable with phone calls. I actually prefer that. That is my primary means of communication with them, but I wait for them to provide me their info. But if it is an outbound, of course I will look at that also and give them a call and see. Hey, I sent you an email. I just want to make sure you got it. You can check it and get back to me on it.

Michael: Fantastic. Well, I asked you a bunch of questions about this profitable flip, George, but if you are watching this show and you have more questions, please post them in the comments below this video on Domain Sherpa and I will ask George to come back and answer as many as he can. I also encourage you, the person who is watching this interview.

Get out from behind your computer, reach out to other people in the industry and start to make connections. Business is done through relationships, as George just exhibited. He called people up and started that relationship. It is the easiest way to make that connection, and you can do so in one of the easiest ways here by using your real name and posting a real comment. Something as easy as saying thanks, George, or I appreciate you telling your story because it is motivating. Whatever you feel like saying, the most important thing is to just reach out. I am going to be the first to do so and say thanks to George.

George Adu. Thanks for coming on Domain Sherpa, sharing your story about a fantastic domain name flip, and thanks for being a Domain Sherpa for others.

George: Thanks for what you do for us, Michael. It is a great platform to educate our domainers. And if you guys are interested in the comments section, just let me know and I will put together all these sales emails and all these processes for you guys to consume at your convenience.

Michael: Oh, they are going to be interested, George, so you should start working on that now. We will post it right underneath the video.

George: I will work on that and make it ready for you guys.

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

Watch the full video at:

<http://www.domainsherpa.com/george-adu-customer-focus/>