

THE QUICKEST PATH TO \$60M/MONTH: BUY BUSINESS, ADD EXACT- MATCH DOMAIN - WITH JOHN RAMPTON



March 6, 2017
Episode 378

Entrepreneurs have vision and put their money where their mouth is. And in doing so, they either sink or swim. That's why I love entrepreneurship so much. Today's guest put six figures on the line. Listen in as we find out how it worked out. Stay tuned!

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Michael: Hey, Sherpa Network. Thanks so much for joining me today. My name is Michael Cyger and I'm the publisher of domainsherpa.com, the website where you can learn how you can become a successful domain name investor or entrepreneur directly from the experts. My goal is that you will watch these interviews, take away strategies, tactics, maybe just ideas and become successful. And then you can come back to DomainSherpa and do an interview yourself. Entrepreneurs have a vision, and they put their

money where their mouth is. And in doing so, they either sink or swim. That's why I love entrepreneurship so much.

Today's guest puts six figures on the line to buy a domain name. We're gonna find out how it worked out. I'm pleased to welcome, John Rampton, founder and CEO of due.com, D-U-E.com, an online invoicing and payment platform. John, welcome to the show.

John: Hey, thanks for having me.

Michael: I provided a really simple overview of due.com just now, John. When you meet someone for the first time, how do you describe due.com to them today?

John: You know, we're a payments platform. We're helping small businesses invoice their clients, get paid online, in a much more simpler way.

Michael: So why wouldn't somebody just use quickbooks.com, for example?

John: I mean, people like using us a whole lot more for our sleek interfaces, our easy-to-use systems, automation, some of the ways to pay are a lot easier than QuickBooks and there's been problems there so...

Michael: Yeah, and you know, I'm a QuickBooks user, and because my accountant uses QuickBooks, my CPA uses QuickBooks, but for a lot of, you know, smaller entrepreneurs, 1099s for the first time, maybe they've been 1099 for a years, they want a simple way to just invoice and get paid, right?

John: Yup, correct.

Michael: Awesome. So when did you launch due.com?

John: You know, we launched a little over a year ago.

Michael: Okay, so only a year. Was the business model different when you launched a year ago than today?

John: You know, a year ago, we were much more focused on invoicing. Now, we're a lot more focused on payments and the backend processing of those payments.

Michael: Makes sense. So the audience knows how big due.com is today. Give them a little bit of perspective around the company that we're gonna talk about. Can you give us an idea what your revenue is?

John: Yeah, so, revenue, we don't really discuss. But right now, we have a little over 50,000 customers. Those are active customers using our platform. And we're processing about \$60 million a month now.

Michael: Wow. \$60 million are flowing through due.com?

John: Correct, yup.

Michael: Wow, that's awesome.

John: Yeah, thanks.

Michael: Now that I understand where due.com is, I wanna go back in time a little bit, understanding you as an entrepreneur. You're no newbie to online anything.

John: No.

Michael: You've been marketing for years. You've been named Entrepreneur Magazine's top 50 online influencers in the world. You've been named to the top 10 most influential PPC experts in the world. How did you start off in online marketing?

John: You know, I started off probably about 15 years ago. I've always been an entrepreneur my entire life. I've always loved selling people. I love seeing this in businesses, you know, that swift J-curved out. And I loved making money. Money is so much fun for me to make. So I was working at a company, selling their product. The company that, you know, I joined onboard and helped kind of start the company and I was selling a product. And I found no matter how many, like, I could only make so many phone calls a day and talk so much on a phone. And I started finding easier ways to sell people online. So, you know, back in the day, I build a text server and I went scrape websites for phone numbers and I texted people just saying, "Hey, buy our product." And, you know, I found I got to a point where that only worked so much, you know, that only got me so many sells. Then I started doing other forms of online marketing and, you know, got further and further in. And I just found it was something that I enjoyed doing, and it was scalable to a point where I could get millions of customers and not have to really call and talk with every single one of them.

Michael: So when you started off, did you used to be an affiliate marketer? You know, a lot of people...

John: Yeah.

Michael: You did. And so you're sort of...

John: Yeah, I mean, they didn't really have a name for it back in the day, but it was kind of affiliates, how I did it was I went on Craigslist and I posted jobs. And I got paid \$8 every widget that I sold. And I went on Craigslist and I said, "If you guys sell this, I will pay you \$6," and I took a cut. And little did I know, four years later, some guy's like, "This is what affiliate marketing is." It's just paying people. And they go do it, and then start finding better ways to sell in more and more ways. And, you know, started expanding my mini-empire.

Michael: Yeah, and so that was one of your first jobs out of high school. I think my research showed that you were working selling virtual tours to real estate agents. And you went to Craigslist and posted that, and basically, you

paid out 75% of everything that you made. But you were happy to do so because it was scalable.

John: Happy, yeah. It was probably more even along the lines of 90% of everything I made. But hey, I'm fine making that 10% if other people are doing the work.

Michael: Yeah, and so, have you morphed over time from affiliate marketing selling somebody else's product, being beholden to them, you know, keeping you on or keeping the product updated or whatever, you know, related to them running it versus now you're on due.com. Is this the first company you've created on your own?

John: No, I mean, I've created several things. I'm a serial entrepreneur. I've created another online invoicing company that helped people sell their homes. I ended up selling that. While I was doing that, while I was building up that company and launching that product, that's when I started really getting into online marketing and writing, blogging, and truly every aspect of online marketing because I wanted to be able to know every aspect so that... of online marketing, every aspect of it, so that I could market my business and earn as much money as possible. That company went very, very well, it ended up selling for a decent sum of money. After that, I bought another company. That company unfortunately failed. And then come along due. And you know, saw and went on.

Michael: Awesome. I'm gonna come back and ask you about all the writing that you do because you do a ton of writing on a lot of different sites. Now, I wanna find out how that has helped you become more successful. But let's go back to due.com since you just brought it up. I read that you bought due.com on flippa.com, the marketplace for websites and domain names. How did you come across it for sale, and what was the impetus to purchase the domain name?

John: Yeah, so I'm always looking for domain names. I'm a domainer. I love it.

Michael: You are. You are an investor.

John: I'm an investor in domains. Well, it goes actually a little beyond that too. So, when I was younger, I'm still pretty young, but when I was younger, I could only...I couldn't afford to go buy a house. So I went and bought domains because it was my form of online real estate. And I could afford it. I could afford \$5,000. I couldn't afford \$50,000 for a down payment, but I could afford \$5,000 for a domain to which I could hold or build that up and sell it for \$20,000 and then buy a \$20,000 domain and flip it years later to the right buyer for a lot more money. So I started learning the value of my online real estate and how much things are worth. So I'm always looking at different sites like Flippa, Sedo, NameJet, other places out there that...

Michael: You're in all the sites. So you're just like every other wholesale investor looking for great opportunities out there?

John: Yeah. And lots of times like you can find them for motivated sellers like, you never know when a seller is going to be, you know, be kind of desperate for cash. When I saw it, I reached out to the guy and said, "Hey, I'll give you this for..." He's all, "Hey, I have to get this much. I paid this much for it." But you know, I have a house that's on, I'm like, there was a certain circumstance, I don't remember what it was. But it was like his house was being foreclosed on him. He had to sell this domain. And he's like, "I need to get rid of this." Like, or it might have been that he bought it from somebody and was being foreclosed on or something, but all I know is he was in a tough financial situation. For me, that's great, because I can get a better deal on it. He's very motivated to move quickly. And, you know, if you can find those things, it's just like real estate. The more people you reach out to and talk with, and the more house hunting you do, the better deal you're going to find. And you might find a motivated seller that needs to dump it really quick and you can get a really good deal on a house.

Michael: Yeah, exactly. And I'll have other sherpas, like yourself coming on to show that come on and say, you know, I'll reach out to the same person with the great domain name, time after time after time and finally after five years,

they have a need to sell. They're retiring. They sold their company. Medical issues came up. They have a credit card debt. Whatever the case maybe.

John: And some are just bored. Some are like, "It's been five years and I don't know what to do with it. Nobody is biting on it so go for it."

Michael: So you saw the auction on Flippa. And I wanna go into a little bit of details because other entrepreneurs that may be watching that aren't in the domain names may find some insight. You saw the auction on Flippa, but the auction didn't actually sell?

John: Correct. No.

Michael: And so then did you reach out to the owner? Did it not sell because it didn't hit the reserve price?

John: Didn't hit the reserve.

Michael: Okay.

John: His reserve was \$160,000.

Michael: Okay, which is a reasonable amount for a three-letter, you know, actionable domain name like this.

John: Very reasonable.

Michael: And so then you reached out through Flippa or...

John: I reached out through...I had bid on it and tried to bid, he had rejected it. And it came near. And he's like, "Yeah, I'd like \$160,000 or I think he said like \$200,000 for it." And I just messaged him, I'm like, "I'm not willing to do this, but I'll do \$100k right now." And he was like...

Michael: Which is a very serious offer, sure.

John: Yeah, which is a very serious offer. And you see anybody... like any person with this six-figure offer, you should respond to.

Michael: Yeah.

John: So he responded to me and we kinda went back and forth and negotiated. I chatted with him on Skype and we just came to an agreed upon price.

Michael: And then you transacted through Flippa escrow?

John: Through escrow, yup.

Michael: Okay, and the final purchase price was...

John: \$130,000.

Michael: \$130,000?

John: One hundred thirty thousand US dollars.

Michael: Yeah, wow. And so, is that the most expensive domain name you've ever purchased before?

John: No.

Michael: Really?

John: I purchased organize.com.

Michael: You bought organize.com out of auction?

John: Correct. Correct.

Michael: I looked at that one.

John: It was on Flippa as well. I found that one on Flippa as well. That was years ago.

Michael: Yeah, what happened to that one?

John: That one, I bought it. I bought that. It came with a website. I bought it for \$450,000, \$350,000, I don't remember. I mean, that was years back. So yeah, I bought other domains and you know, I'm bidding on one right now for \$600,000.

Michael: And do you still own organize.com?

John: I do not. No, I don't.

Michael: What happened to that one?

John: That one we actually went out of business.

Michael: Oh, that was the one you were talking about, yeah?

John: We grew it up and it... you know, luck didn't spin our way and we failed. I mean that was really hard. I lost a lot of money and a lot of time and energy and stuff like that.

Michael: Yeah, I looked at that one. It was some phenomenal assets. They had a big customer base, the prior year, they had sold, I don't know if it was under NDA or if NDA is even valid anymore, but lots of social media, lots of people visiting, the customer list, social media handle, website, domain name, where are all the assets today? Maybe I'll buy them from you.

John: The assets are with another company. They own them.

Michael: You sold it?

John: Yeah, yeah. So we sold the assets.

Michael: Gotcha.

John: So yeah, I mean, you win some, you lose some. Like that one was a big bet that didn't work out. It didn't pan out for us. Due, you know, we're still in the process of that. I would say to all the listeners, the great thing about domains is when you do buy a really good domain, if you can get it for a good price and know domain, like know what's going on in the market and how much they sell for it. Like, you can usually always get your money back, or at least, you might take a little bit of a haircut on it, but you can still get your money back especially if you find the right buyer. If you find the right buyer, you might make 10 times what put in.

Michael: Right.

John: I would say one example is due.com, another person was bidding on it. And the person wanted \$200,000 and they were like, "This person, like the reserve is blah, blah, blah, they're not gonna negotiate." Well, literally, I purchased it, and it sent out an email saying, "Oh, this person purchased it," all the Flippa people for \$130,000. The guy offered me \$175,000 15 minutes after I had purchased it. I had not even sent the money for it and I got an offer for literally, what is that, like \$45,000 more?

Michael: Yeah.

John: Like 15 minutes, so I could've made in 15 minutes, \$3,000 a minute.

Michael: Did you think about not building it and just selling it?

John: Oh yeah, yeah. Definitely thought about that. My wife actually was like, "Sell it. Sell it. Do it."

Michael: Yeah. So which came first, the due.com domain name that you purchased or the business idea to create this payment platform?

John: So we had looked at another invoicing company that was also on Flippa for sale. It was called Make Some Time, and it had been on sale and I kinda negotiated with the founders a year prior and they wanted a great deal of money. And I saw Due and I'm like, "Hey." For me, it was just a good investment that I could put something on. Whenever I buy domains, I always have an idea for it in the future, and if that idea happens, great. If it doesn't happen, I have an asset that I know that I can sell for more. I mean, that guy offered me \$45,000 a couple minutes after. If he's willing to pay that, if I find the right buyer, they're willing to pay more, which since, we had offers, you know, for Due as a company and the asset base in the multimillions of dollars.

Michael: Yeah.

John: So you can make a lot of money doing it.

Michael: And for three-character domain name, you know, they don't come up very often where it has a meaning, where it's a verb, you know you get some confusion with do.com, but that's a multimillion dollar domain name versus, you know, D-U-E and so, yeah that's the only...

John: One other thing to note on it too is whenever I personally look at domain names, and this is just a recommendation for users, I also look at the social assets. So I looked at twitter.com/due which there was really nothing on there. I know I could contact Twitter and be like, "Hey, I own this, and I want to take this over. Well, they gave it to me. Facebook gave it to me. LinkedIn gave it to me. So I was able to acquire every single one of the social assets. So we're /due on everything, on Google Plus, on YouTube, on Facebook, on Twitter, on Slideshare, on...

Michael: Wow. So there's gotta be more to it, John, than just contacting them and asking them, because I've done that in the past, and I don't even get responses back.

John: I know, find people to sleep with so...

Michael: So let me go with order of events first.

John: So if any of you guys having trouble, I'll flip that, let me know.

Michael: So let me know the order of events. So you bought the domain name, clearly you don't even have it up as running company yet, but you contacted all of the social media platforms and asked for the D-U-E username?

John: No, I did that after I merged the two.

Michael: Merged the two what?

John: So after I purchased the domain, I'm like, "Huh, maybe I should...like due is kind of payments and finance and invoicing related." So I contacted that other company about a month later and I said, "Hey, it's been a year. You haven't done anything with this. You're sitting on this asset. I wanna purchase it from you." They had like 30,000, or 20,000 customers. No, it was like 18,000 customers. And I went to him and said, "Hey, you have all these customers. None of them are using it," you know, "in the way that you want to. And you're not really maintaining it. They're not happy. You can see these complaints. How about I purchase it from you. I'll purchase the assets, and then I'm gonna merge it on here and redo it and make it look better and use your base."

Michael: That's a great idea, to purchase a business that, you know, already has some base technology and customer... some users of the system and then merge them into a better brand.

John: Right, yeah.

Michael: Right. So were they actually generating revenue or were they just sort of in a startup mode?

John: They were generating revenue. It was very, very small revenue. I mean, sub \$1,000 a month.

Michael: And did you buy it for the multiple of their revenue?

John: No, I just offered them cash like what I was willing to pay for it.

Michael: Yeah, yeah, yeah. And so...

John: I mean I think I paid like \$15,000 or \$20,000. It was very, very minimal.

Michael: Yeah, and they were probably happy that, you know, they weren't gonna spend any more time on it.

John: Yeah, they just copied assets off and I was friends with them and we'll still friends so...

Michael: And so you got your business up and running a lot faster just by rebranding what they've already done?

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Michael: And so you got your business up and running a lot faster just by rebranding what they've already done?

John: Correct.

Michael: And then you went to the social media platforms and asked for the usernames?

John: Then I went to the social media platforms. I mean, I have a couple friends. So I live in Silicon Valley so I live next to the Facebooks, the Googles, the Twitters, all these major platforms are primarily within like 20 minutes drive of my house. So I have people who know people at those places. So I contacted, for example, Facebook. I contacted a very well-known Facebook person who's been there since like their first year in business. And he's like, "Oh, sure." And it was done 10 minutes later. He got me Instagram as well.

Michael: Wow, so you didn't have to buy any of them even though, the terms of service say, "You're not supposed to sell them. We know it happens in the aftermarket."

John: Yeah, I bought to some people before.

Michael: Yeah, fantastic. So that's the story how you got because getting the three character domain name is pretty phenomenal in itself. But getting the matching social media handles, oh my gosh, that's like a pinnacle.

John: Yeah, it was great.

Michael: Wow.

John: It was a big win that...We haven't gotten every single one of them. Snapchat, we haven't gotten the Snapchat. And like one or two other small ones. Another thing that we did is we register the trademark which we now own. So we own Due, D-U-E as a trademark. So if anything in the financial, invoicing, payments, basically anything financial that has to do with Due, if they ever mention that, I can legally take over.

Michael: That's fantastic. All right, so one more question we're getting social media handles and doing my research, I saw that brand.com went out of business and you acquired the brand username on Twitter.

John: I did, we did.

Michael: Which has a massive, 600,000 plus followers.

John: Correct. It didn't when I got it. When I got it, it had like 15,000.

Michael: Really? So you've grown Brand, twitter.com/brand from 15,000 up to 600,000?

John: Correct.

Michael: First of all, how did you acquire it?

John: I contacted the old owner. I was trying to buy brand.com. So I was trying to buy that. It ended up selling for \$280,000.

Michael: brand.com?

John: Yup.

Michael: And that's probably worth it. That's a great domain name.

John: Oh, that's easily worth it.

Michael: That's afraid.

John: They originally paid half a million for it.

Michael: So I'm surprised that the buyer of the domain name didn't want the username on Twitter to go with it.

John: I think they didn't realize that it wasn't part of it and some of the other assets were not part of it. So the owner, I knew the owner of it, you know, if you're in the domain world, you start knowing people who they buy at. You want a network because if I don't have enough money to buy something, or I wanna trade, I mean once you start owning domain names, you can start trading, you know, like at due.com and like right now, I own buttercup.com buttercups.com, and a bunch of other pretty good. And I can trade a bunch of these for that bigger one. So, you get to know everybody.

Michael: yeah. So networking is important?

John: Correct. Oh yeah. Essential.

Michael: Essential. And what's the purpose of that Twitter account, twitter.com/brand?

John: I didn't really have a purpose at the beginning. It was a good handle and it was verified. And that became part of the deal. I did pay for it. Anybody from Twitter, I did not pay for it and I would never confirm that.

Michael: If you did pay for it, how much would you pay for a Twitter account like that?

John: You know, I'd pay \$10,000. And it had 15,000 followers that was verified and a really good handle and I'd pay \$10,000.

Michael: Yeah, totally. Verified is, wow, yeah, that's gold today.

John: And yeah, it is gold. And it used to be a lot harder to get verified. It used to be near impossible to get verified. Now, it's a lot easier, but you know, that was a big thing for, you know, there was only at the time, probably like 20,000 verified accounts, and that's one of them. The others are mostly celebrities and well-known brands. It was a good win.

Michael: So you talked...

John: [inaudible 00:22:01] win a lot.

Michael: So you've talked a lot about domain names being assets that can appreciate over time that you look at them like an asset. Even if the business fails, it has a residual value. Do you consider social media handles like twitter.com/brand to have a residual value to you?

John: Oh yeah.

Michael: You do?

John: Yeah, for sure. I mean, first of all, I get reached out to by brands all the time to tweet out their stuff and they're willing to pay for it. For example, I have one very, very large motor company right now that just offered me \$1,500 for two tweets.

Michael: Are you serious?

John: So, you know, you look at things like that and, it's damn. Hell yeah, that's worth it. So that's worth it. I also had a person offer me \$35,000 cash for it the other day. So, you know, things like that, they do have value. But even more like if you can attach like you can buy a really good brand and

have the social assets with it, it just makes your brand so much more powerful online.

Michael: Yeah, definitely. Let me ask you about the business model of due.com. I went on your website and I saw that Due charges 2.7%. So if I pay \$100, if I sent you an invoice, you pay me \$100 for that. Your due.com will take up 2.7% as a processing fee. stripe.com charges 2.9% plus a 30 cent charge. How does Due charge less than Stripe?

John: We have relationships direct with banks so we're able to do that. Plus, to compete in a marketing and the huge players, you have to have a different pricing options and be a little bit lower to really have the intrinsic value to convert over a customer. So we had to go far less than them enough where it makes sense for a customer to ditch them and use our product.

Michael: Yeah, so if I send you an invoice and you pay, what shows up on your credit card statement, my name or due.com or...

John: It'll be a combination, it'll be Due dash your name. If you're an actual merchant process, it will be fully your name and our code.

Michael: Gotcha. And is there a fee to use due.com in addition to the processing fee?

John: Nope, there's nothing. Nothing.

Michael: Because I went in, I signed up, I looked online, I looked back through the archives, I thought I saw \$3.00 per month for one user.

John: Back way, way, way in the archives, back in the day when we purchased the business, that's how they were making money. We deleted all that and we give it all the way for free. I'd rather create a really cool product that lots of people can use and there's no barrier to entry. I think the invoicing companies when they're charging to invoice or the amount of clients and stuff like that, like all it is basically flipping a switch on my end. It costs me

nothing, nothing more to help you out and like, sure I could make a little bit more money, but I'd rather help a lot more people out.

Michael: Yeah, and you guys make money. You're cash flow positive?

John: Yeah, almost. Almost. We're about a month and a half away from being cash flow positive.

Michael: Wow, congratulations, 12 months into it. That's awesome.

John: Yup.

Michael: And so, I saw, you know, I like to, like you, when I go to a website, I'm like, "What is the root of what they're trying to do?" So I look at the source code, then I look at the meta description, because sometimes, you know, they put words in there, what they really want to be for a search engine to identify them. And I've read, Due is an easy way to send money, make mobile payments, and offers an easy way for a company to collect payments. It almost seems like PayPal to me.

John: Yeah, I mean, ultimately, what our ultimate goal is I wanna make it easier for anyone anywhere in the world to send money to each other at a little to no cost. So I basically want like if you're familiar with Venmo or PayPal, a free PayPal anywhere in the world, or a free Venmo so that I can literally go on my cellphone and pay from the U.S. a contractor in India, you know, \$200 and it gets to them the next day and they have it in their bank account within 48 hours. That's what I want and what we're trying to build.

Michael: But I know a lot of individual freelancers will have a problem with PayPal because they can't get the money or they can't get certain amounts of money out of PayPal if they're living in India or what have you. Do you solve that problem with due.com?

John: That's our goal. Right now, we don't. But that's our goal.

Michael: Okay.

John: That's what we're trying to build.

Michael: Yeah, and if I went on to due.com, could I find the countries that you do service right now?

John: Yeah, right now we're just U.S, Canada, Mexico, and the U.K.

Michael: Okay, that makes sense. And so if I'm an individual investor in domain names and I live in the U.S. and I wanna sell domain names to somebody else, would due.com be a good solution for me so I don't have to use PayPal where somebody could do a chargeback on their credit card and take the money and my domain?

John: You know, we have a service that you could do that way, I mean kind of an escrow type of service. I mean, I would say in that circumstance, there's tons of companies like escrow.com, they do a very, very good job at that, mitigating, and that's what they're built for, is buying and more of an escrow and holding service. They're better at that. We're better at payments and credit card and purchasing a product, and sending it. But if you're sending something where you need to inspect it and make sure you get it and it clears in your account and all these other things, there are services that are built for that. So I'd say in that circumstance, probably not.

Michael: Okay, but if I wanna sell a domain name for \$500 to somebody and I don't need a credit card of that person?

John: Damn, go.

Michael: Do that...

John: Plug it, get their credit card and you're good to go.

Michael: Send them an invoice, they pay directly and then I push the domain to them.

John: Correct, yup.

Michael: So I'd like to understand the thought process of, so that other entrepreneurs can understand decisions that you've made. Why not choose a lower price, brandable domain name like duenow.com?

John: Yeah, I mean, one, I saw due.com for sale so...

Michael: So opportunity.

John: Yeah, opportunity, but I mean, even more than that, I really like short, one word domains. You can't beat them. A person's perception in their mind of Due versus Duenow, to Google, it's all the same, to a person coming to your site, it's a lot more brand perception and a lot more credibility instantly. I mean people are like, "Oh, I've heard about you years ago and I should've signed up." I'm like, "Yeah." Like...

Michael: We've already been around for 12 months, for sure.

John: For sure. Yeah. Cool. Like you get so much brand perception, I mean, even when I owned Organize, people would come to us and just be like, "Oh my word, this is the best." It's instant trust in users.

Michael: And you're in Silicon Valley, You're living in the Palo Alto area?

John: Correct, Palo Alto, yup.

Michael: So what's the perception from other entrepreneurs that you interact with in Silicon Valley when you say that you're the founder of due.com?

John: Immediately, "Oh, how much did you pay for that?" Get it every time.

Michael: And they're jealous, right?

John: Yeah, yeah, like I'd say 60% to 70%. I mean, even investors are like, "Oh, oh," like they immediately take you seriously because they know that you've invested like hundreds of thousands of dollars. Most of them assume millions of dollars, because most VCs, when they go purchase a domain name, this is something for the audience to know about venture capitalists and people with... investing large amounts of money into things.

When you're a startup and you have something going for you and you raise money, once you've raised money and you go to buy a domain name, that domain name will be five times what you would normally pay for it. And literally, five times what you pay for it. So a venture capital firm comes in and they say, "Oh, we acquired Do, D-O.com. We paid \$1.1 million for it." And versus, you could've probably bought D-O.com for like \$200,000, had you bought it prior to you actually going big or have the right person involved in the transaction.

Michael: So the lesson learned for other entrepreneurs is before you close your round, secure a great domain name, right?

John: I would say like don't get your investment firm involved and don't let them know that you're the company that's trying to buy it. Just be, like some, have a friend buy it for you or have a Gmail, make up a Gmail account and just be like, I'm not saying to impersonate someone but like hop on the phone and, because the domain person will Google you. If it's a \$200,000 or \$100,000 plus, they're going to want to know you as a person before that goes through so they'll Google. And if I can't find much from that person, they'd be like, "This person is trying to scam me." But it's going to be more expensive the further down the road you get.

Michael: Yeah, definitely. So you mentioned investment. Did you bootstrap or raised money for due.com?

John: We bootstrapped, the whole thing.

Michael: The whole thing?

John: Yeah.

Michael: Do you have other founders that have put money in it as well or is it all your money?

John: All my money.

Michael: Wow. So you're really doubling down on this.

John: Oh yeah, for sure. I mean, that's what entrepreneurship is. Entrepreneurship is taking risks on yourself. And I've had risks that have paid off. I've had risks that have not paid off. But it's taking a risk and a chance on yourself. This is a big chance that I'm taking on myself.

Michael: Yeah, and so you've mentioned that the domain name due.com has helped your business because customers feel like you've been in business forever like they know exactly what you do.

John: Instant credibility.

Michael: Instant credibility. How else does it helped your business grow?

John: I mean it's easy. I mean it's easy for people to link to, talk about, I mean, I love that it's really, really short on social media. You're allowed to say a lot more, you know. For example, if you have this big, long handle, you know, you typed up half your letters are gone, also it's easy for people to remember if you have like something due@blahblahblah.com, you know it's hard to remember and the person might forget. Due, everybody is like, oh, it's easy to remember.

Michael: Yeah, definitely. And has it help you with your, you know you are the merchant, but I guess the credit cards processors, has it helped you negotiate deals, get better deals, terms, things like that?

John: It just gives us instant credibility. I mean, people know that we're not just some business that might go out of business in a couple months or some fly by the night like thing, they're like "Oh my word, these guys paid of thousands of dollars," people assume millions of dollars for the domain name. If they're willing to invest millions of dollars in a domain name, these guys are serious players.

Michael: Yeah, definitely. So, earlier on, you mentioned that you do write and you do provide a lot of...and I've noticed you provide a lot of benefit for other entrepreneurs. You wanna help others, because, you know, you've been helped in your past. I'm sure, you write for Entrepreneur Magazine, Forbes, Ink, Huffington Post, and several other niche sites. I went through brand, your Twitter brand and I thought you're on Oracle's blog. How has writing so much, these articles that you post to people's blogs and websites, how is that help you personally?

John: Yeah, so...

Michael: I was gonna ask...I was gonna say personally and your business, but I'll start with personally first.

John: I mean, personally, it gets my name out there in front of millions of different people, and I get to help a lot of people. I find that every article that I write, every hundred people that read it, I'll get one super fan out of that. A person who will follow me for life. And really enjoys what I write and reads out every single post, probably one out of every thousand that will legitimately, I mean crazy super fan will do anything I ever ask. But I mean, one out of every, you know, it's just boils down to the numbers game for me. If I can, one out of every, you know hundred people ends up signing up for my company, all of a sudden, the more I write, the more customers I have signing up out there.

And you asked about business perspective. You know, I mention my own business in some of the things and trials that I'm going through, and with firing an employee, firing a co-founder, buying a co-founder out, having a business go out of business like Organize, you know. I was the guy in the room that laid everybody off and liquidated an 80,000 square foot warehouse. I had all these crap happen to me. So I can help a lot of people, but from a business perspective, again, I'm gaining business fans and super customers. Why I do it? Lots of people ask me why do I keep going? Obviously, it's helping my business. It's truly growing out my business. I also find that Forbes won't write about my company every single day as much as I want Forbes to write about my company, they probably won't. But I can write about and drop references to my company every single day and link to my own company. Might not be as good as one post, but it's definitely as good as three or four posts. So I can make that differences up and I can run write about me every single day. So that's why I got into it.

Michael: And do you have a team that manages social media for you, because how do you decide whether you're gonna post to John Rampton Twitter account or Brand Twitter account or put it on the blog at Due. How do you manage all that?

John: Yeah, so we have a big team, a big content team. So we typically try and post like three to five times a day on Due blog, and then I'm putting up on average like three a day on other people's blogs and around the internet. And up on social media, we typically tweet trending stories out there and inspirational things. I typically queue the inspirational things up so they'll come out. And then when I see something interesting, I'll go through. And I mean, I have a team that helps me out with that but it's a very, very minimal.

Michael: How big is your content marketing team?

John: We have 18 writers.

Michael: Eighteen? Full-time or contractors?

John: Contractors.

Michael: Wow, 18.

John: We have like four or five full-time.

Michael: Wow.

John: And that's helping out with content mostly on Due, most of the stuff I put out is under my own name. I'm like dictating it and the person is writing it up and then I'm going through. I have a grammar editor, a fact checking editor, and a voice editor.

Michael: That's amazing. If you take out those 18 people, how big is the rest of the due.com team?

John: I mean, we have a bunch of contractors. So our core due.com team is seven full-time people right now.

Michael: Gotcha.

John: But then, we have five, like contractors, it's like contract to hire so they're in the hiring process. We typically keep people on six months as contractors, and then our goal is to bring them on full-time. Those are programmers and devs, and then just a bunch of content people. But all those are typically contractors.

Michael: Gotcha. Sixty million-dollars being processed, is that per month, or, what's the time for...

John: Per month.

Michael: Per month. Sixty million-dollars being processed in just 12 months of operation. Clearly, that has increased the value of the due.com domain

name and all the related assets. If the business would have failed, god forbid, it would have failed today, what do you think today's value of due.com would be?

John: Well, I know I had somebody at \$175,000 offer me that. So that's a firm. I could email him and have \$175,000 in my account tomorrow. And that's pretty much as much as I set my lowest expectation. I'd imagine we could probably sell it, you know with just the domain name, I would probably include the social assets in that and the fact that the domain authority has so many links behind it. It's a domain authority 65, it's really, really good for one year. I mean, I'd probably sign a value of like 1 million to 2 million, but again, that's my value and hypothetical and stuff like that. To the right person, it's definitely worth that. To the wrong person, it's worth \$175,000.

Michael: Here's the final question for you John. What do you say to other entrepreneurs who are just launching a startup today and are thinking about buying a great, single-word .com domain name like due.com? You know, it's easy for you to say, "I'm gonna buy it. I know it has a residual value because then I've got a whole bunch of upside potential." But not everybody is as seasoned entrepreneur as you've been through, you know, highs and lows with their business. Do you encourage them to buy a great, single-word .com domain name or do you, does it vary, you know, person to person?

John: Yeah, I do, but not right off the bat. Get to know the market. Just like going when you're buying a house. Don't go and buy the first house that you see or the fifth house you see. Get to know the market, get to know the neighborhood, get to know where your kids will be going to school. You don't want your kid going to school at a one-rated high school. You want them going to 10-rated high school. Get to know everything about the ecosystem before you just jump in and buy.

Michael: Yeah, and so does that mean starting with a domain name that maybe has two words to start or...

John: Yeah, I would start with getting to know, you know getting two-word, getting, building up your business, and getting to know what you would like it to be.

Michael: Because you may switch from just an invoicing company to a payment platform. And if you bought invoices.com, you might be stuck with the wrong domain name to start.

John: Exactly.

Michael: Right, great tip. If you have questions for John, please leave them below the video on DomainSherpa and I'll ask him to come back and answer as many as he can. If you receive benefit from today's show, learn something new, thought differently about buying premium domain names for your startup, please take a moment to thank today's Sherpa.

I'm gonna be the first to say thanks to John. John Rampton, founder and CEO of due.com. Thanks for coming on DomainSherpa, sharing information about how you built your company and some of the setbacks along the way. And thanks for being a DomainSherpa for others.

John: Thanks, guys.

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