

NameJet Private Auctions: What You Need to Know - With Matt Overman

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

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

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

Finally, if you have questions about domain names, where should you go to ask them? The answer is DNForum.com. Not only is DN Forum the largest domain name forum in the world, but it's the best. You can learn about domain names and the industry, buy and sell domain names, talk about domain name news, and meet other domainers just like yourself. Register for a free DN Forum account and begin advancing your skills and knowledge today. And when you do signup, send me a friend request so we can connect.

Here's your program.

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

Anyone who buys expiring domain names knows that there are three major auction sites on the Internet. But only one of them seems to get fantastic domain names on a regular basis.

Today we are joined by Matt Overman, General Manager of the NameJet Domain Name Aftermark Auction Service.

Matt, welcome to the show.

Matt Overman: Thanks for having me.

Michael: Matt, I mentioned Trumpet.com is currently in auction as of the date of this recording. It is likely to sell in the high five figures or six figures given that most activity tends to happen in the last day. How does NameJet get so many quality domains in your auctions?

Matt: Well, we have had great success from a wholesale marketplace. We have had a lot of very high prices, and that has garnered a lot of private selling interest as well. So, in the last couple of years we have opened up that avenue, and have solicited private inventory, and are constantly looking for the best names at the best prices. So, based on that, we work with a number of sellers that do have inventory, and they are willing to run in auction at NameJet.

Michael: Great, and we are going to talk about that private sale option, but you also have a fantastic amount of expiring domain names coming through your system. And I have got an article on DomainSherpa that I will link to that lists some of your auction partners, such as Directnic, eNom, and Network Solutions. Is there a reason why you get such great dropping domain names as well?

Matt: Yeah, well, you touched on it. We do have a fantastic list of exclusive registrar partners that provide the bulk of the inventory that is sold on NameJet. So, those are exclusive to NameJet pre-released domains that get sold; we have a handful of great registrar partners.

Michael: How many auctions take place on any given day at NameJet?

Matt: It is going to vary month to month. We have, typically, around ten thousand auctions a month. Somewhere in that range, so a few hundred a day.

Michael: Yeah. Do more happen during the weekday than the weekend?

Matt: Not necessarily. It is has to do with when the names are expiring. So, some months are higher than others based on initial date of registration, but it is fairly cyclical.

Michael: Okay. You auctions go through a specific process. For somebody that has never signed up for NameJet or created an account, can you walk them through what that process is at a really high level?

Matt: Yeah. So, we touched on it earlier. We have exclusive relationships with a number of registrars. When they are expiring from those registrars, we get them in what we call a pre-release status. Now, for those domains, we are the exclusive auction platform. They are listed for thirty-five days at NameJet; at which point, at the end, there is a 3-day private auction. Anyone that places an order during those thirty-five days gets to join the 3-day auction. After that, any names that go without orders will end up getting deleted; and anyone that wants to go after the name in the drop can do so. So, we also have great drop-catching technology as well, and offer that service as well. For a fee, we will go out and use our registrar creds to try and secure a name for customers, and we refer to those as pending delete domains.

Michael: Okay, that makes sense. So, it is the pre-release coming from an auction partner. The pending delete status is for domain names that you go drop-catch on behalf of your customers. And then, once it goes from pre-release into auction, is the public auction always three days?

Matt: Private auction. All of our auctions are three days. We have explored extending that, but yeah, all 3-day auctions, and they are private auctions. Public auctions are reserved for instances, unfortunately, where we may have a non-payment or we have to re-auction a name. We open it up and allow all NameJet customers to join at that point.

Michael: Okay, that makes sense. All right. And do all auctions end, typically, mid-day Pacific Standard Time in the United States?

Matt: Yeah, we have different backorder deadlines for pre-release and pending delete, but the auctions all typically end in, like you said, that mid-day Pacific Time.

Michael: Okay.

Matt: And NameJet happens to be based on the West Coast, so it is no coincidence. You are not going to have a good time for everyone when you have customers in every time zone.

Michael: Yeah, definitely. All right. I have personally used your service quite a few times. I have grabbed some great expiring domain names, but some of the best domain names - the single-word generic domains - are often private auctions; not expiring domain name auctions. Is that generally correct?

Matt: Well, we have had some fantastic expiring single-word .COM sales as well into the six figures, but you are right. We have had a lot of success with private sales as well; and a lot of that has to do with the momentum of selling expiring names for a high price. So, we have interest from sellers, in some cases, that are also buyers, and they want to sell their names. And NameJet provides a good avenue for moving a name in a finite period of time.

Michael: Yeah. What is the process if a domain name investor, or just a domain name owner registrant, wants to sell their domain name through your system?

Matt: Well, right now, it is not an open sales platform. So, we have evaluated on a one-off basis. The best ways to contact NameJet is through Customer Support with your name, a good way to get a hold of you, and some example domains. And when we have space available, and if the price and the quality is what we are looking for, then that is when we will be interested in working together.

Michael: Okay. So, if somebody emails through your Customer Support Form at NameJet.com, you want to know their contact information. You want to know what domains they want to sell. And is there any other information that you need from them? Can they set a reserve? Can they set a minimum bid? Any of that?

Matt: Yeah, they can set reserves. So, a sense of their price expectations as well as where the domain is currently registered is also helpful. But the bottom line is if they are good names and they are reasonable price expectations, then we will find a way to work together.

Michael: Yeah. So, if I send you a list of names that are five words with hyphens in the middle and maybe some numbers tacked on as well, they are clearly not good names.

Matt: Those are going to be less interesting. We still have some manual components to our private seller relationships - to that process. So, that is why it is challenging for us to take on a huge quantity of inventory at any given time. And so, given that, we have to be a little bit selective.

Michael: That makes sense. And so, is there a general valuation that you think domains do better on your platform, Matt? If I owned what I thought was a two hundred thousand dollar domain name, would that do as well as a domain that I thought was a five thousand dollar domain or a two thousand dollar domain?

Matt: I mean it is going to depend on your price, but I am obviously looking for the most reasonable lower pricing. For high quality names, we have had a lot of sellers try our no-reserve, or just the standard \$69 minimum price, put a lot of effort into promotion, both at NameJet and on the homepage and email

- there are different ways we can promote the name -, and let the auction take care of it from there.

Michael: All right. So, we know who to contact. There are basically no minimum requirements for the domain name. It just has to be a good domain name with a reasonable minimum or no minimum for the domain name. You are not looking for anything specific around the search volume of the phrase or the extension. You only take .COMs or what have you.

Matt: No, we will look at everything; and obviously there is a subjective element too. So, given the available space, sometimes there is better inventory than other times. And I am sure all of your viewers and my customers notice times when we have higher quality featured inventory, so it comes in waves as well.

Michael: Yeah. What is the timeline, generally, from submission to listing? Or does it vary based on the backlog?

Matt: It can vary based on the backlog, but it can be as short as a typical pre-release cycle - as short as a month. If we get an agreement in place, you can be selling your names early in the following month.

Michael: Yeah, okay. And if I do send in, through customer support form, and I say I have got Domain.com and I want to list it for sale, and my minimum reserve is one thousand dollars, let's say, sometimes I see a little round circle - black with white text I think - that says 'R'. Does that mean that a reserve is set on the domain name?

Matt: Yes, and that is actually a recent addition that we have had to add a bit of transparency for the private selling process. Before, we did not necessarily have that, and there were issues with folks ordering the name and not realizing there was a reserve till later. So, now, any name that has that 'R' does have a reserve, and that will be up there until the reserve is met at which point the icon fades. It still indicates an 'R', but it fades in color, and it will then say 'Reserve Met'. So, you will know when you have met the reserve; you will know, in advance, which names do have reserves.

Michael: Perfect. And when I sign into my control panel on NameJet, I see, on the right-hand side, two areas. I see Upcoming Auctions, and then I also see NameJet Exclusives. Is the NameJet Exclusives area those domains that are private sales?

Matt: No, not necessarily. Exclusive to NameJet can be pre-release as well. Just anything that is from one of our partners. The only thing that could not be found in the NameJet Exclusives are pending delete names.

Michael: Okay, that makes sense.

Matt: They are still available for backorder because, at that point, we will have to go out and compete to get them in the drop.

Michael: Cool. One of our users sent in a question regarding why some domain names have a higher minimum bid. You know, I think the expected value is a \$69 bid in order to become part of the auction. But for example, I went to Size5Shoes.com, and it had a five hundred dollar minimum bid. Why do some of them have higher minimums than your typical \$69?

Matt: Well, we give all of our sellers the ability to price their own inventory. And this is nothing new. It is the same for private sellers as registrars, and so that has always been the case. We are allowing backorders below the minimum. That is a recent change. So, if you order it at \$69 and the minimum is higher, you will still be entered into the auction; but it obviously will not sell unless you hit the minimum. That is a recent change. But we have always given registrars the control to price their own inventory. We are just the auction platform.

Michael: Got it. Any marketplace is prone to non-paying bidders or non-paying winners of an auction. What do you do when this happens at NameJet?

Matt: Well, we do not allow them back. We do our best to prevent them from ever participating in a NameJet auction again. And obviously that is something we take seriously and are trying our best, on a daily basis, to get to

a point where we have a minimum number of non-payment issues. We are working to strengthen our verification process for verified bidders. You have to be a verified bidder to bid above twenty-five hundred dollars on a name. And so, it is something we do take seriously, and are always evaluating different things that we could be doing differently, whether it is account balance or collecting as much information about the new customers as possible.

Michael: Great. Final question for you, Matt. What can users of your NameJet.com Service expect to see from the platform in 2013?

Matt: We have got a lot of stuff going on in 2013. I think you will finally see a NameJet App released.

Michael: Nice.

Matt: We have a mobile site - a site that scales for mobile functionality - right now, but an app will be added into the fold. We are also making a big push to be a marketplace for a lot of the new TLD auctions as well. So, NameJet customers will certainly see a good number of land rush auctions for new TLDs when those actually do come out. So, my customers and your viewers probably have already noticed that we have that featured on the site now, and we will continue to move that forward. You will also see a number of featured auctions as well. We have had a lot of success. We have already obviously talked about that on this interview, but we are continuing to push for the best quality inventory that really highlights what is out there and what is available. And we are always looking for new and better inventory, and we will have a number of featured auctions, both from registries, but also from private sellers in 2013.

Michael: Great. I love your service. I have my filters setup, so I get an email every single morning with the keyword phrases of domain names that I like to keep an eye out for. Service works great. If you have a follow-up question, please post it in the comments below, and we will ask Matt to come back and answer as many as he can. If you want to follow Matt and NameJet on Twitter, their Twitter Handle is @NameJetAuctions. And you are on Facebook also at NameJetDomains.

Matt Overman, General Manager of NameJet.com. Thanks for coming on the show and helping us understand how to better take advantage of NameJet Auctions, and thanks for being a Domain Sherpa.

Matt: Yeah, thanks for having me. I hope it was helpful.

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

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