

How a \$675,000 Domain Name Took Teamwork.com to the Next Level – With Peter Coppinger

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Today's entrepreneur and business leader started his company on a .NET domain name, only to realize years later that it didn't provide everything the business needed. So he doubled down and spent \$675,000 to buy a single word .COM domain that he claims has made all the difference in growing his business. As he describes, his business growth rate went from this to this. Stay tuned to hear his story.

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

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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 come to learn how to become a successful domain name entrepreneur and investor directly from the experts. Many entrepreneurs launch their startups on a domain name that they can hand register for about ten dollars per year. If the business fails to

grow and they have to shut it down, the entrepreneur is out a negligible amount for the domain name. No big deal.

However, if the business gets traction and grows, the startup is potentially faced with upgrading their brand name or domain name. Today we are joined by a founder who has experienced the latter scenario. His company took off and he purchased a domain name later, which I suspect came with both pros and cons that we are going to learn about today.

I am pleased to welcome Peter Coppinger, Founder and CEO of Teamwork.com, an online project management and team collaboration software platform. Peter, welcome to the show.

Peter Coppinger: Hi, Michael, thank you for having me. It is great to be here and it is an honor to talk to you today.

Michael: Thank you, and thank you for staying late in Ireland, where your company is based, so that we could film this interview today.

Peter: No problem. Well, we have some rare sunshine outside, so this is indeed a big struggle for me to stay here.

Michael: Hey Peter, I provided a really simple overview of Teamwork.com just now. When you are out and about, meeting other entrepreneurs or at a party and somebody asks you what you do or what your company does, how do you describe Teamwork.com to them?

Peter: So, we like to say Teamwork.com is an online and mobile application that helps companies get work done.

Michael: Okay. Yeah, we are done, so that is pretty broad. So, any work that I need to do with other people or organizing projects or whatever may come in my business should be planned out, and your software helps you do that.

Peter: Exactly. We streamline your business. Once you switch over to our system, you will wonder how you ever lived without us. Simple as that. That is what we are told every day of the week.

Michael: Nice.

Peter: We have hundreds of thousands of happy customers all over the world.

Michael: Hundreds of thousands, because I read online just in 2014 that you had 20 thousand customers, including EBay, Microsoft, PayPal, and NBC.

Peter: Yeah.

Michael: So, you have grown from 2014 to now, when we are recording this in May of 2015 from 20 thousand to over one hundred thousand customers.

Peter: I can actually tell you. We have 206,149 teams around the world, managing 2.1 million projects.

Michael: That is awesome.

Peter: So, it is going pretty good. Not all of those are paying customers. I would say that we have something in the region of 30 thousand paying customers of all sorts of sizes. It is going pretty well. We have big plans.

Michael: Wow. Now, in 2014, I read that your company sales were projected, I believe, to exceed 12 million by 2015. Have you exceeded that revenue goal?

Peter: That is what we are doing at this very moment in time, so yes, we have.

Michael: Over 12 million in revenue.

Peter: We are doing over 12 million dollars in revenue at this moment.

Michael: Fantastic.

Peter: We are growing month and month. I actually have some of the rates up here. Our churn rate is very low, which is an indication that people love our

product. We are growing. Our monthly recurring revenue is anywhere between 20 thousand to 70 thousand, month to month. It is going pretty well.

Michael: Wow, 20 thousand to 70 thousand MRR increased per month.

Peter: Every month. Yeah, I can tell you. I am looking here. From January to February, it was 20 thousand, and then the following month it was a 30-thousand increase.

Michael: Wow.

Peter: The following month it was back to 20, and then we had a massive jump. So, yeah, it is going pretty good.

Michael: Entrepreneurs are drooling right now, Peter, because everybody knows that 84K monthly recurring revenue (MRR) is the golden number. That is the million dollars per year number. So, you are increasing anywhere from three hundred thousand up to close to one million dollars per month in growth on the high end.

Peter: Yeah, it averages out. I am looking at it. It is averaging out at about 30 to 40 thousand month to month.

Michael: Now, you mentioned churn rate, so now I have to ask. What is your churn rate, because I know other entrepreneurs want to compare their company to yours to figure out how (Unclear 4:38.5)?

Peter: It depends. This is the problem with churn rate. It depends how you calculate the lifetime value of a customer. This is the ongoing problem that SAAS companies have, and I have read loads of different formulas to do this. So, some formulas will. Our churn rate, looking at this, if this is right. I am not sure because this is our own internal dashboard.

Michael: Sure.

Peter: It is saying three percent.

Michael: Wow.

Peter: I can also switch over to our bare metrics dashboard. I will bring that up in a minute and I will let you know.

Michael: Okay. So, at churn rate and your growth lead into like all of the research that I conducted leading to this interview. I read testimonial after testimonial about your company and your software, and your customers love you, Peter. One customer switched from Basecamp and talked about how your constant innovation, how you listen to your customer's feedback, the usability of the software, how it integrates with third parties like billing software and other calendars in storage, and most importantly, they emphasized the friendliness of your team.

People actually get to know your team. It is not like you are one of these SAAS companies where yeah, they have maybe some management bios on the website. People actually get to know your team. Congratulations on what you have built.

Peter: Absolutely. Thank you very much. The reason we built this product, quite genuinely, was we were a consultancy and we needed a product to help us run our business. And we looked at Basecamp. We looked at all the products and Basecamp was the market leader back in 2007-2006, and we were just absolutely appalled with what Basecamp was at the time. You could not, for example, put files on a task. You could not set task priorities. You could not set a due date on a task, and to us that was just mind-boggling. We were wondering how was this software so popular.

So, we could see there was a gap in the market for good software because we were making better products than Basecamp every month for our clients.

Michael: Yeah, and over the past decade, this marketplace, this industry for online collaboration software has ballooned. People listening to this show may not realize how big the team collaboration software market is. I found one report, where Forester projects the market to climb to 67 billion dollars per year, but then I found another study by WinterGreen Research that said

21 billion. These studies are all over the place. What do you look at? How big do you think the team collaboration market is for software tools?

Peter: Well, all I know is we have an internal goal to hit one hundred million in revenue by 2020. That is our goal. It is printed. It is written on the wall. We have this big timeline, where we are now and where we are going. So, I am not sure we can do that alone with just project management, but if you look at what Teamwork has evolved into, we have now released a help desk solution called Teamwork Desk. And we released this because we were asked time and time again by our customers, "What help desk software out there integrates with Teamwork projects?"

We did not have a good answer for them. We were using. Obviously to look after our own customers, we tried different software, like Zendesk and Help Scout over the years, and none of them were that amazing. Zendesk in particular, which is the market leader, is pretty confusing, we thought. We thought if you could come up with two products that really tightly integrate together - for example, if a ticket comes in, you could create a task if necessary for your guys to work on and when to get the work done; that the ticket automatically becomes available, so you can respond to the customer.

If we can make that entire process seamless across the two products, so an integration that is like this. We thought that we could have something pretty special here nobody else in the world has. So, we have this dream to have a suite of products. The first suite of products in the world that truly work together to help run your business.

Michael: Yeah. Well, I told you right before the show that I was going to go try Teamwork.com myself because we use Asana internally. Now I am definitely going to do it because we were looking at HelpScout.com for another marketplace and jobs board that we run, where we have people emailing in. And that is the issue. You get these customer inquiries coming in, and then you want to sort of categorize them so you can look at how many data points you have of customers that are voicing their opinion about things that should change or things that are confusing, and then you want to directly tie that to the projects that you are working on so you can have the biggest impact for your customers. So, fantastic vision.

Peter: Absolutely. So, we have got this beautiful integration at the moment where you can create tasks. You can also log time directly on a ticket and export that into your project, and then group stuff together and send out your billing system. We have got this amazing integration that no one else has, but this is only the start of the plan. We are going to make this integration absolutely mind-blowing.

Michael: This is only the start.

Peter: This is only the start.

Michael: This sounded pretty good. All right, so let's talk about the domain name. I read online that you purchased the Teamwork.com domain name for 675 thousand dollars. Is that correct?

Peter: That is absolutely correct.

Michael: In a story on DomainNameWire.com, you told Andrew Allemann that it took a couple of years to actually settle on a price. How did that negotiation start and how did it progress to the point where you purchased Teamwork.com?

Peter: All right. So, to give you the background, we always knew we wanted to call our product Teamwork. There was just no other name that was right for us. We had previously had this internal product called Teamwork CMS. Content management system, when we used to do websites back when we were a consultancy. So, when we wanted to make Teamwork, it was the perfect name for us. And we knew it was a kind of not great name for Googling and we knew it was hard to get domain names around it. The best name we could get was TeamworkPM.net.

And we knew this was not a great name, but it was the best we could do at the time, back in 2007. We did not spend too much time thinking about it. Over the years, as the product kind of took off, we reached a kind of tipping point where we were able to leave our consultancy behind and just work fully on this product. So, we are completely bootstrapped. It was around there we

first approached the owner of (Unclear 10:50.6) pages and we contacted a guy and we said, "Look, we would love to buy Teamwork.com for five thousand dollars."

[Break - 11:01.7]

Michael: Hold on, Peter, I think we ran into a little bit of a lag. We are going to wait for the video to catch up.

[11:18.8]

Michael: All right, Peter, we lost you for a second there, and this is what I warned you about. We will definitely piece these two together.

Peter: Okay.

Michael: Let me wait for your video to catch up here.

Peter: Okay, I will just see if there is anything here I can shutdown, but my Internet should be pretty good, especially given it is late and there is no one here.

Michael: Yeah. Let's see here. I am going to turn off my video and turn it back on. Hope your video is turned off. Do you see my video?

Peter: Yeah.

Michael: Okay, I do not see yours yet.

Peter: Yeah, I can see something spinning here, saying something is happening.

Michael: Yeah.

Peter: Not sure what is going on.

Michael: Okay, I may just.

Peter: We will just hang up and I will call you.

Michael: I will call you, and let's pick it up where you said you originally reached out to owner of Teamwork and offered him five thousand dollars.

[End of Break]

Peter: So, yeah, we reached out to the owner of Teamwork.com. We offered him five thousand dollars. We did not even get a reply.

Michael: No reply at all.

Peter: Not even a reply. So, months, years later, I cannot remember. Every now and again, my co-founder, Dan, or me separately just would (Unclear 12:27.4). We just knew it was the right thing to do. We just kept approaching this guy, offering. We are willing to offer ten thousand. Eventually we did get a reply back and it was just like some very generic reply, which sent us a link to some website that said that domains like Teamwork.com are worth about 20 million.

Michael: 20 million.

Peter: So, we were like: "Holy shit, 20 million for Teamwork.com. That is ridiculous." This was in the middle of the .COM madness as well. So, fast-forward a few years, TeamworkPM, through mostly word of mouth, had somewhat taken off for us. Still very much an unknown product in the wider sphere, but we had enough money in the bank that we were able to make a more serious offer.

So, we reached out again and got a decent reply this time. I think I had offered something like 50 thousand this time for it, and I actually got a human to talk to me and we saying, "Look, that is ridiculous. This should be going for 20 million, and I am in no rush to sell this." So, I was pretty appalled and I said, "Look, come on, dude. There has got to be some sort of compromise here," and he just did not reply to me again for a little while. So, I cannot remember my timeline, but approximately two years ago, I finally

reached out again and I said, "Look." I might have used some (Unclear 13:52.6) Irish people. For the love of God, just give us a fucking price. A real fucking price.

Michael: Yeah.

Peter: And he came back and he said, "I am not taking anything less than 675 thousand dollars." I remember where I was. I was inside the center of town with my girlfriend, having a drink, and I just emailed back on my phone, saying done.

Michael: What? So, over the course of like from 2007 or so to end of 2013 when you purchased it, you started at five thousand, ten thousand, 20 thousand or whatever, up to 50 thousand. Then he replies back, 675 thousand, and you are like done. I will take it.

Peter: He had replied back several times. I missed a few emails there, but there were several emails back and forth, where he was like not a penny less than 20 million. I am happy to hold on to this. There is no rush. I think he let us know that he has a whole library of domains.

Michael: Yeah.

Peter: He is happy to sit on this. And that is when I just got ticked with him. I said, "Just give me a real price."

Michael: So, how did you decide that 675 thousand dollars was fair? Clearly you thought it was fair. You paid it. Why did you think that it was a fair price for that domain name?

Peter: I am not sure it was a fair price, even though somebody probably paid seven dollars per year to maintain it for 20 years. I wish I bought domains back in the day.

Michael: Yeah, you and me both.

Peter: But I just knew it was the right thing for our business. I knew that our business has had and has an amazing product, but we just do not seem to be getting that penetration out there. We are not getting the articles up in TechCrunch. TechCrunch have never once written about us, which I am infuriated with. I have tried them again and again. So, we have had to go the hard slog at this. We put our heads down and we work on great product, and we treat our customers right, and we actually listen to our customers. And we are doing it the hard way.

But I knew if we could just transform how people kind of saw the product, I mean a product with a domain name like TeamworkPM.net, even I would probably scuff at. You see a product and it is some random XYZ.com. Well, if it is a .COM, it is not too bad. If it was random XYZ.co.uk or something, it just does not have the same gravitas that a .COM name has. I think even with a layperson, if two guys met in the pub and some guy said, "I am using this great product called Teamwork," and the other guy said, "Oh, well, what domain is it at," and he said, "Oh, it is TeamworkPM.net," there is no way the other guy is going to remember that the following morning.

But Teamwork.com has got the gravitas. All you have got to remember really is teamwork. The word teamwork.

Michael: Yeah.

Peter: And the .COM kind of comes for free. I just knew this would help us get to the next level. We had the money. We have very ambitious plans, and I knew this is also like a brand that we could get behind. So, my co-founder had mentioned it a few times that we would love this domain. I had not really consulted with him when I said yes to 675 thousand, so I had the job the next day of coming into the office and I gathered up Dan and Billy, our CMO, in my office right here.

I was saying to them, "All right, guys." I did not explain it like that I had made a deal. I said, "Look, this deal is on the table," so it was my job. I was not going to let them leave that room without convincing them about this.

Michael: Yeah, and did you face an uphill battle? I know a lot of entrepreneurs would say like that is crazy. We will never pay that much. It just goes against what we believe in bootstrapping our business to pay that much. What did you have to overcome in order to convince Dan and Billy that that was the right decision?

Peter: So, I was more prepared than they were, and so I had that advantage. So, I (Unclear 17:45.0). I said, "Look, I really think this is the right thing to do. It is 675 thousand, down from 20 million. Okay, if we snap this up, I think it could be transformative for our business." And they were like: "I do not know." They were like: "It is a lot of money. Look, let's negotiate a cheaper rate," or let's wait a year was the kind of response. There is no rush. That is nearly all our money. It is a big step. Kind of let's just sleep on it. Let's wait a year. Let's hold off.

Michael: Yeah.

Peter: But I kind of gave what I call my Martin Luther King's speech then. I was like: "Look, I do not know about you guys, but we only live once, and I want to make this business amazing. I do not want to wait a year. We have waste a year. Somebody else could snap that up. This is going to be transformative for us. I want to do it, guys. Look, I do not want to look back when we are 60 at this missed opportunity that we never did." And the two guys. Just then Dan's phone went off, and I was really annoyed that he took the phone call. I remember that, and I suppose the phone call gave him that opportunity to think. And when he came off the phone - I do not know what bullshit phone call conversation it was, but I do not think he was even listening.

But when he came off the phone, he just looked at me straight in the eye and he said, "Let's do it."

Michael: Wow, and you guys had 675 thousand dollars cash in the bank to buy it.

Peter: We did. We did. Yeah.

Michael: Wow, that is a lot of success that you guys had to be able to not only continue to build your business and invest in it, but also put that much money in the bank so you can make a purchase like this.

Peter: Absolutely. I suppose we have always been a little conservative. We have worked like dogs. I know a lot of other startups would say that you should spend every last money that you get in just to grow faster. We did not have that kind of mindset. We kind of grew the business a bit slower and we were very conservative, how we did it. That was the first major kind of mad move we ever made, so yeah, we were lucky we had the money there. We did not have to get any loans or anything. We are completely bootstrapped. There is nothing invested in it, so it is literally our own money.

Michael: Yeah. All right, I want to ask you. You have used the word transformative a couple of times in planning out what this domain name could do for you, and I am going to ask you about those benefits, but I want to go back in time just a little bit and ask you. When you launched your software business, you launched on TeamworkPM.net. And PM for people outside the project management area, that is an acronym for that. So, you had this idea that you wanted teams to work together.

You wanted to streamline project management, and you picked a .NET. Why TeamworkPM.net? Why not TeamworkPM.com or Teamwork-PM.com? Why TeamworkPM.net?

Peter: Well, I do remember that TeamworkPM.com was taken by, I think, some property crowd that are still there. And we did actually try buying them out, and we did offer them some money. I remember, at one stage, I offered. We were in the business of building websites when we were a consultancy. I said, "Look, we will build you a much nicer, beautiful website. Content manage that will get your more business, guaranteed. Plus, we will redirect all your customers from your country over there and we will run that for three years, and we will give you like 30 grand or something."

They just were not interested. Looking back now, I am really glad they were not because, to this day, we probably would still be TeamworkPM.net, which

just does not work. It just would not have the same gravitas as just one real word .COM.

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Michael: Yeah. All right. And what kind of process did you and Dan and Billy go through to pick TeamworkPM.net? Is it the kind of thing where you guys had this idea for a business, and then you just went out and registered the domain name, or did you actually do a lot of brainstorming and think through some different options?

Peter: There was very little of that. We were so concentrated. It was just myself and Dan back then. I think we were just so concentrated on building a great product called Teamwork that picking the domain was a bit of an afterthought. We were like: "What is the best we can get?" We put like three hours into finding the right name. We knew nothing about marketing back

then. That was one of our weaknesses. We were very strong technically, but we have had to learn a lot of other things.

If I were doing it again, we would obviously put a lot more effort into picking a pretty good domain name.

Michael: Yeah. So, you launched in 2007. You bought the domain name, Teamwork.com, in 2013. It is fair to say that if you have a kick-ass team and you build a great product, you can be very successful on a less than optimal domain name, like TeamworkPM.net.

Peter: Yeah, absolutely. We did pretty well. I think we live in an age where, for the first time, the best product can win. So, this was not true 20 years ago in the software industry. Nowadays, due to the strength of Twitter, blog posts, articles, re-tweets, promotions, and so on and so forth, the best product can rise to the top.

Michael: Yeah.

Peter: Sometimes.

Michael: Yeah. So, then, on January 31, 2014, you posted on the blog on your website a new post entitled Teamwork.com is Born. So, you switched. You bought it a few months earlier; Teamwork.com, and then it took you a few months before you announced it to your customers. Why did it take a couple of months?

Peter: Okay, because all our customers have subdomains running off .TeamworkPM.net, and we wanted a very clean plan about how we would move them all over to the new domain without any disruption of their bookmarks or anything else. We wanted to make sure all that was rock solid, tested, and that it would just work. So, we wanted that they could instantly click a button and switch over to their new name. We spent a bit of time building the new website as well and just making sure that was beautiful and rock solid, and so on, and just getting those finishing touches done.

Michael: Yeah.

Peter: For the first few weeks, I think we were still going: "Really, do we have this," and just getting used to it ourselves. And then it was like put the action plan. I suppose the action plan really only took six weeks once we started working on it together.

Michael: Awesome. So, in that post, you wrote, "For customer confidence, we know how important a .COM domain is. Since making a switch, existing customers have told us that as much as they've liked using TeamworkPM and as happy as they are with the features offered, the .NET was always a bit of a stumbling block when it came to signing on the dotted line." And it is funny. One of the first comments on the blog was from a user named Jake St. Peter, who wrote, "This is great news, guys. I will be honest that the domain name thing was always a kind of pain. Glad you guys are now rocking the .COM."

Was this a typical response? It is hard to imagine that customers would say that an annoyance is worth you spending 675 thousand dollars to fix, but was that the kind of response that you received from your customer base?

Peter: Absolutely. Yeah, it was. We got hundreds of responses like that. We got personal emails and tweets. We got it all, and it was great feedback, but it is understandable from a customer's point of view. You want to be proud of the tools your business runs every day, right? You want to be proud of the hardware you use. You want to be proud of your company and every part, and part of it is the software. You do not want to be using some antiquated, weird tools that no one understands or that gets forced on you.

And if you are using some weird service called PM.net, it just does not resonate with other companies. I think if someone had never heard of our product and they compared Teamwork.com versus TeamworkPM.net, they are just naturally going to assume that Teamwork.com is a better product with a bit more clout, I think.

Michael: Yeah.

Peter: Simple as it is, I do understand it.

Michael: Yeah, definitely. You told SiliconRepublic.com that "we are one hundred percent confident that the investment will pay for itself in no time as we expand our product range and improve marketing under the new brand." How did that pay off? Did you get a return on your investment that you feel was commensurate with the 675-thousand-dollar investment?

Peter: Absolutely. More than I can say. More than I can say.

Michael: Tell me how.

Peter: So, first of all, beyond any monetary gain, short-term monetary gain, we have a real brand that the entire company can get behind. Right now, in the hallway, we have Teamwork.com emblazoned in a (Unclear 26:02.2) wall. We have beautiful t-shirts, shirts, wraps and cars. We have just like. Can you see this?

Michael: Oh yeah.

Peter: The Teamwork.com bottle branding. We have got a real brand identity now. That is the first thing, and that is something huge. It also gives a platform where we can build more than one product, as I mentioned earlier on. So, that is the first thing, this long-term plan. The second is it paid for itself within 12 months. From the day we launched Teamwork.com, there is an inflection point on our sales chart where we can see this little nudge, where instead of our sales going like this, it just transformed it to like this.

Michael: So, if anybody is listening to this and not watching, Peter drew one line at a certain angle, and then he increased the slope and it increased a lot faster after you switched from TeamworkPM.net to Teamwork.com.

Peter: Absolutely. Absolutely. The monthly revenue climbed way up. We had the same cash reserves in no time. It definitely paid for itself in no time.

Michael: Wow. So, any entrepreneur that is listening to this is thinking: "He made an enormous bet." This was a big risk. 675 thousand dollars took a big chunk, if not all. I do not know exactly how much your reserves were at the time, and spent it on this domain name.

Peter: Almost all, yeah.

Michael: But you are saying that you got your payback in 12 months because not only did your revenue grow at a steeper rate, a faster rate, but then it allowed you to then replenish the savings that you had at a much faster rate as well.

Peter: Absolutely. Yeah. I am not saying that would work for everyone, but it certainly worked for us.

Michael: Well, and that is the thing that I wrestle with. I do not want to lead other entrepreneurs to think that spending 50 thousand, 100 thousand, up to 600 thousand dollars is going to make their business grow faster. You need a solid business. You need to have a great product. You need to have customers that love you. And this sort of throws fuel on the fire to help it grow even faster.

Peter: Absolutely. That is very well said, Michael. That is exactly it. And if your product is only mediocre, if you do not have the customers loving your product, you still have more work to do. That is not the time to pour fuel on the fire. But we had absolutely everything else apart from the brand recognition.

Michael: Yeah.

Peter: So, even here in Ireland, I would meet other entrepreneurs when I was over at South by Southwest and stuff and they were like: "Holy shit, how haven't we heard you guys?" We were just telling them we were a small outfit in Cork, which is down south of the capital of Dublin. And even in Ireland, a lot of guys had not heard of us.

Michael: Yeah, and I love that. Right, because you buy a name like Teamwork and suddenly you are a worldwide brand.

Peter: Absolutely.

Michael: You are not a small, little company based in Cork, Ireland.

Peter: Absolutely, yeah. Who is to say that will not change in the future? Who is to say .COMs might be this thing of the past in ten years time? Nobody knows, but right now .COMs are recognized as a pretty valuable business resource.

Michael: Yeah. Now, you bring up an interesting point because a lot of people in the domain name industry, the people who know how the sausage is made for lack of a better phrase, are saying that we are offering all these new top-level domains, like .HOSTING or .APP is coming out soon. Google just won the right to be the registry for that. Do you think that one of these new top-level domains might have the cache and the authority value with potential customers like .COM has? Do you think that there will be a better domain for Teamwork in the future?

Peter: Yes and no. Some of the domains that are coming out there are just bullshit domains that nobody really cares about, but .APP. .APP interests me. Teamwork.app. Yeah, I could see that working, but a lot of the other ones are just bullshit. I do not think anyone is going to pay that much attention to them. I know .IRELAND came out recently, or .IRISH or something. Who cares?

Michael: You are not buying them.

Peter: Not buying them. Absolutely.

Michael: Maybe if you ran like a delivery service only in Ireland, maybe.

Peter: Maybe. I do not know.

Michael: But you are running a worldwide brand.

Peter: But even then, I just think that the layperson has this kind of thing in their head. .COM. There are songs with .COM.

Michael: Yeah.

Peter: .COM kind of equals the Internet in the layperson's mind.

Michael: Yeah. Well, we talked about a lot of benefits here, Peter. We talked about that your customers loved you guys, that it brought more authority value with your customers, that potential customers that were looking at your service. It sounds like you got more signups because your revenue grew, which means that you were getting more customers to sign up. A lot of times, a great domain name like that will receive type-in traffic. People that just want to find a teamwork solution, and they will type in Teamwork.com into their browser. Did you notice an increase in visitor traffic to your website as a result as well?

Peter: I am not sure I noticed the random people finding the domain accidentally, but no, the biggest increase in traffic we got was just the authority we had with the domain. But bloggers were more confident in talking about us, and so on and so forth, and people just felt prouder tweeting that they are using Teamwork.com instead of TeamworkPM.net, and so on. We also did well. Our Marketing Officer. So, when we bought this domain as well, we did not have anybody in marketing whatsoever, if you can believe that.

We had just grown the (Unclear 31:40.3). So, we got a full-time Chief Marketing Officer. An excellent guy, (Unclear 31:43.9), and he managed to secure the @Teamwork Twitter handle for us.

Michael: Yeah, I saw that.

Peter: Pretty sweet, yeah.

Michael: That is pretty sweet. So, I have got to ask you because you cannot buy and sell Twitter handles. How did you secure the @Teamwork Twitter handle?

Peter: He reached out. Simple as that. He knew someone who knew someone who knew the right guy who made an inquiry about what do we do. There is somebody sitting on the Teamwork handle and they are not using it

whatsoever. And Twitter, I know, started clamping down on that and shutting down accounts that were not being used and giving them to legitimate businesses, and we were the first guys to inquire about this particular one and we were lucky we got in there at the right time.

Michael: Yeah.

Peter: So, I know Basecamp are competitors. I know there was something a few months ago that they were trying. I know Jason (Unclear 32:29.4) posted something that he was trying to get @Basecamp and frustrated by the process. So, I think we were very lucky to get in there, and fairly quickly too.

Michael: Yeah, definitely. So, more authority with customers. You said that they were tweeting about you more. They were writing about you more because they had higher confidence in you. You are completely bootstrapped, so meeting with investors was not anything that you even needed to worry about. Right?

Peter: No, that is the beauty of not having a board to report to, is that we can move to turn the ship quickly. The flipside of that, as I saw as well, is we can make big mistakes very quickly without a reasoning board, but we are looking at putting together just a Board of Advisors, just to give us advice just when we do big things like this, but we never wanted to turn into one of these slow lumbering companies. We want to be agile.

Michael: Fantastic. And then one of the issues that you mentioned earlier in our discussion, Peter, was the fact that websites like Tech Crunch, publishing sites, media companies like Tech Crunch would not write about you, probably because they were not sure if you were a real company and what level. They do not have time to sign up for every service and compare them and see how well developed you are. The brand gave you more authority value. Did you see an increase in the number of articles written about your software as a result?

Peter: Definitely written about us by a lot of other bloggers and other people, but to this day we have never had an article on Tech Crunch, and it is very frustrating. Even when we bought the domain name for 675 thousand, you

would think that is a big story. So, I was talking to Michael directly and a lot of emails going back and forth, and it was very frustrating because they do a veto. If you are putting it up on Tech Crunch, you cannot put it anywhere else, and I was not getting a yes or no on whether or not he was going to actually publish the article. It was kind of up in the air.

I was really frustrated at the end, when he told me that he is not going to publish the article because domain name stories are sexy. But they published all these bullshit, like 20 million invested in company X stories every day of the week, and I find them, frankly, boring.

Michael: Well, that is what they do. They publish about investment. They do not publish about bootstrappers. And you know what I find sexy. Building a company that makes a lot of revenue, that has a great profit margin, that you own one hundred percent of. That is sexy to me.

Peter: And we were putting like every penny we had on the line, taking the biggest risk you can imagine a business is taking. Every penny of the cash reserves, and we are making this bold statement about we believe in ourselves. And I think that is interesting, but apparently no one else did.

Michael: Hey Peter, I have a friend that is thinking of changing from a two-word .COM domain name to a single-word, like you have done. Would you unconditionally recommend that they do that, or does it depend on the circumstances?

Peter: It definitely depends on circumstances. I mean there are some great two-word .COM domain names, so it definitely depends on circumstances.

Michael: Yeah.

Peter: Some words simply do not go together. There seems to be a kind of change in, say, like Food.com is no longer as sexy as some random name .COM. You see this with, say, AirBnB. AirBnB is this random thing that gets inside your head and you remember it over Rooms.com or something. There is a massive switch over, so it definitely depends. I would not say it is definitely the right thing to do. He should take his time.

Michael: So, let's say that a company has one million dollars. You know how hard it is to get to your first million dollars. Right? That is your big hurdle to get over. Let's say they have one million dollars in revenue and let's say that their profit margin is 20 percent, so they are churning off some good cash flow. Would you think that upgrading from a two-word to a single-word, like Teamwork, that both describes what you do and is a brand - okay, so I am sort of setting a boundary here. And they can purchase that for 100 thousand dollars, and they have the money in the bank. Is it worthwhile? What do you think?

Peter: I would be all over it.

Michael: You would.

Peter: Yeah, especially if you have got a great product, you have got customers who love it, and you just have not had massive awareness. Then definitely go for it, if that is the one thing you need to (Unclear 36:42.9).

Michael: Yeah. All right, Peter, here is the final question. What do you say to other entrepreneurs in Ireland or that you meet around the world who are just launching a startup today and are thinking of buying a great single-word .COM like you did with Teamwork? Do you encourage them to do what you did - launch on any domain name that they can get so that they can plow their savings and their investments into the product to build a great product, and then upgrade to a great domain name later after they have proved the business - or take a few more dollars, ten thousand, 20 thousand, do not go 675, but get a better brand than what you started with originally at Teamwork.com?

Peter: Well, definitely start with the better brand than what we did. I mean you can build a bit of time. You can choose some random words that do not even make sense. SimpleZesty or whatever. Just come up with something funky and that people will remember, but I definitely would not waste a lot of money because you might need to pivot your idea. You might realize that the idea is crazy because when we start a business, we have our blinkers on. We think our ideas are the best things ever. You need to validate your idea before

you spend a lot of money on it, but you can pick something cool enough. You can always change it in the future.

Definitely do not spend more than ten thousand on your first domain name. That is insane.

Michael: Yeah, all right. Great advice. If you have follow-up questions for Peter, please post them in the comments below this video and I will ask him to come back and answer as many as he can. If you would like to follow Peter on Twitter, I believe your Twitter handle is @IRLTopper.

Peter: That is it. IRL for Ireland, and my nickname is actually topper, which is a long story.

Michael: Now I want to hear it. Did you get that nickname in grade school?

Peter: No, we are not going there. I will tell you some other time.

Michael: If I come to Ireland and we go out, drinking, you are going to tell me how you got it.

Peter: If you buy me a beer, I will tell you.

Michael: Oh, done. All right. And if you want to follow Teamwork.com on Twitter, they are @Teamwork. Easy enough. And this is the part of the show where I ask you, the audience, to take 30 seconds out of your day and reach out to Peter and say thank you. It is as easy as sending an email or you can click on the link below and post a quick comment, or go on to Twitter and say thanks; I enjoyed the video, Peter. I am going to be the first to do so.

Peter Coppinger, Founder and CEO of Teamwork.com. Thank you for coming on Domain Sherpa, helping others to understand your path to success so that they can make their own path, and thanks for being a Domain Sherpa for others.

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Peter: Thank you very much. And please, guys. Please do email me. Peter@Teamwork.com. I would love to hear from you. Thank you very much.

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

Watch the full video at:

<http://www.domainsherpa.com/peter-coppinger-teamwork-interview/>