

How to Simplify and Manage Your Portfolio - With Sam Dennis

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I only have a few hundred domain names and every month I debate which ones to renew, which to let expire, which to sell, and how to sell them. I find myself going back and forth on which criteria is important, and worrying that I'm going to undersell or worse – drop – a domain name of value. Today we're going to find out what someone with many more domains than me does to manage his portfolio.

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 can learn how to become a successful domain name entrepreneur and investor directly from the experts. I only have a few hundred domain names and every month I debate which ones to renew, which to let expire, which to sell and how to sell them. I find myself going back and forth on which criteria is important and

worrying that I am going to undersell or, worse, make a mistake and drop a domain name that has value.

Today's interviewee got into domain names as a result of his online business and has been going strong ever since. He wrestles with the same issues I do, but he has a system that he is going to share with us today. I would like to welcome to the show, Sam Dennis, CEO of YTZ International, a monetization platform for advertising networks and publishers. Welcome, Sam.

Sam Dennis: Hey, good to get the chance to finally talk with you. Pretty excited to be here with you.

Michael: Great to have you. I feel like my introduction there - description of YTZ International - did not really do it justice, Sam.

Sam: Oh, I think you did well there. I feel like you read it perfectly off the site.

Michael: It is all off the top of my head. What do you mean? So, if you are meeting somebody for the first time at like a cocktail party, it is not somebody that you are never going to see again. It is a friend of a friend, and you want to describe your business to them in a little bit more detail, maybe a little simpler. How do you describe it?

Sam: That is funny because my dad still asks me what I do. I just tell him it is gambling. I just have an edge.

Michael: I am sure that puts him at ease.

Sam: Yeah, basically online advertising. There are so many nuances to it. And I actually have two businesses and online advertising is where I started. The simplest one actually is not YTZ, but that is called Suite 66, which is like a traditional online advertising network. You have banners on the website. You represent publishers and you have advertisers. So, like Google. There is an ad network, but there are lots of other ones, and that is where I started in Toronto here with was a niche online advertising network.

I focused on that fairly basic model of advertising. And then, as things progressed, a new type of advertising kind of entered the realm, which is performance advertising. And all of the ad networks really rebelled against it because advertising traditionally has just been show a picture and pay me. That is it.

Michael: Yeah.

Sam: I do not want to show you number. I do not want to show you results. Just send me the money, but that is for switching. The Achilles heel of the Internet is that we have all this great data. And then advertisers wanted us to tell them. How many people clicked on my ad? Did someone buy something? We were like oh, I do not know. I hope not. (Unclear 2:54.3). But that is where my second company really came into play. So, my business partner of my first company kept running that business. He liked it more. The agency style, and I like the performance side, which is only being paid on results. So, that is where YTZ got started.

So, (Unclear 3:12.5) the online performance network, an ad network. We monetized different types of traffic. We work with publishers. We work with ad networks. We do pop offers. We do a whole range of different types of offers, but the main thing is it is performance. We only get paid on results, and almost all of it is a cost-per-lead or cost-per-sale. And the great thing about that is really you kind of know if you are doing a good job and the budgets are basically unlimited. If I could sell cars and you told me a car was worth five hundred dollars to you, and I just kept selling them, you would just keep paying me. Yeah, keep selling those cars.

Michael: Right.

Sam: I am going to send you a check. I am going to send you them quick. That is the other side. The agency side of the world: you get paid in 90 days. They hold the money forever. Performance advertising: you get paid quickly. But it is a very aggressive marketplace, but it is something I like a lot. I have been doing it for eight or nine years now, so it is kind of crazy how long I

have been in this world, but it is how I got introduced to domains in a roundabout way. I know I actually like domains a lot more.

Michael: So, just to understand it, like I understand that you are the middle man between advertising networks - networks that have advertisements that need to be delivered and publishers that have page views, but do not necessarily have all their advertising sold -, so you help bridge the gap between those two parties. Why wouldn't the publishers just go directly to Google and get the advertisements that are being purchased by pay-per-click advertisers or advertisers that want to pay on performance?

Sam: Well, that is still more the traditional way you are talking about, so that is more Suite 66. And that is just a banner on a website, but Google does not control everything. They are not really a one-on-one business. They do not talk to clients really. They do not work with agencies in that way because it is a huge conglomerate and it is still more of a filter platform. But agencies like Coca Cola and so need a little bit more caressing for that to work out.

Michael: So, they want an outside-the-company campaign manager basically.

Sam: Yeah, I mean that is why they have an agency as well that works for them and does their placement. The one that you are talking about - YTZ. How those advertisements really work, and let's just say I will give an example that is easier for you to really hone in on. So, your new business you have there, DN Academy I believe.

Michael: Yeah, DN Academy.

Sam: So, let's just say you are charging four hundred dollars per year for that or something around there. There are affiliate programs. There are ways to promote that, so we would be the YTZ (Unclear 5:57.8) ad network behind that, where we are tracking the sales for you and you would pay me 50 dollars or 100 dollars per sale. It could be that high, but only on sales. We would go to our publisher network. We would have the campaign inside of our system. We would have the different ways you could promote it. We do almost everything. All the email creating. We do landing pages. We do the whole thing, but you only pay me on results.

Michael: So, why am I not doing that yet?

Sam: For me, I mean I am giving you an example, but it is not a business we would do. We really deal with International advertisers, and I do not want to go down that whole trade of exactly what we do. We could do that for another discussion.

Michael: Makes sense. I understand who you work with now and how you serve them. Perfect. And so, you mainly focus on YTZ International, but you just said that you also really enjoy the domain investing portion. So, how much of your day do you spend on your personal domain name portfolio and how much do you spend on day-to-day running your online business?

Sam: I run too much time on my online domain portfolio, but it is an established business. So, we have a team of over 20 people. We have two offices.

Michael: Oh, wow.

Sam: It is a real business, so it somewhat runs itself, but this is my main office. It is actually our building here as well, so it is great. I come in. All the people I have been working with for seven, eight years almost, but my domain portfolio is just such a personal thing. It is like real estate. It is every single deal I love. I love going out there, but as well I really love almost all domainers that I have talked with, that I know. We become friends. We talk on Skype. We talk about deals, and they are all really great guys. I do not know any girl domainers yet, but I am sure there are great girls out there as well. But almost everyone I talk to I am good friends with as well, so it is just fun. It is like a small club.

Michael: I agree, and I should give a thanks to Drew Rosener, regular on the Sherpa shows, for recommending you as well. That is how you and I got to talking. I know you are friends with Drew.

Sam: Yeah, me and Rosener always are chatting. He is in Panama. My dad is actually in Panama as well. I have seen him down there, so we are good friends.

Michael: So, the domain name that you use for YTZ International is YTZ.com. A three-letter .COM. It is the kind of name that is on fire nowadays with Chinese investors pouring money into numerics and acronym domains. Do you receive a lot of emails from investors in China, looking to purchase it?

Sam: Yeah, and that is one of the names that I actually do have my (Unclear 8:41.3) on, so I get a lot of phone calls as well. Super annoying. But yeah, I mean I have always actually loved short names. I love them for different reasons. The three-letter. They were always scarce, so I have always loved three-letter domains, but yeah, I mean I do not need to tell you the reasons. But YTZ traditionally would not have been that expensive because the letters were bad, but in this case, it actually was quite expensive for me to acquire because it is the airport code for Toronto Airport, so that is really where YTZ came from.

We are located in downtown Toronto and YTZ is our downtown airport code. We get confused with them quite a bit.

Michael: Oh, so it probably leads to a lot of traffic, but not necessarily traffic that would be useful.

Sam: Not at all. We are going to book flights.

Michael: I did not realize that, so that is very cool. So, I have to ask, Sam, because that is what I do. What do you pay for YTZ.com?

Sam: Over 30 actually, and I bought that quite a long time ago.

Michael: Yeah, so that was a lot of money back then.

Sam: It was like four times the market rate. That name would have been a five-thousand-dollar or ten-thousand-dollar name. I had to pay through the

nose for it, but I really liked it. I had another short name for my other business, which other people know me for, which is PDX, so that was one of my businesses as well. So, PDX is an even more rare name, so it is about an AAD name, the Chinese name as well. So, another three-letter name for my business.

Michael: Yeah, definitely. So, YTZ. So, finally the wholesale market has caught up to the price that you paid for it years ago, although you would never sell it because it is an operating business.

Sam: I would make some money on it. I would just have to change all my business characters. The sign on my building. I am sure that would make it (Unclear 10:27.6).

Michael: Exactly. All right. So, if you look at your portfolio today, Sam, I want to give the readers an idea. Are you buying more or are you selling more today, and how many domain names do you own today?

Sam: Oh, like a true domainer, I buy more than I sell. It is a never-ending (Unclear 10:48.7). So, I think two years ago I had about five thousand domains, which I thought was ridiculous to have that many, and now I have over 20 thousand. I just mentioned that I picked up another two thousand.

Michael: Wow, you just picked up another two thousand domains.

Sam: So, 22 now.

Michael: 22 thousand domains. Wow.

Sam: So, it is a mix of names, but it has been a fairly significant shift. It started last year. It was actually because of Rosener. I shifted into the shorter names, but in a roundabout way. I will not give up all the details, but yeah, the three-letter were something I really liked. I started buying more of those. The four-letter I was a little late on. I do have a fair amount of those now though, but I paid well for them. And all the high flyer ones that people are taking some chances are. The six number. The seven number. Five letter. .BIZ. .XYZ.

There are so many extensions there now, but they are showing real legs and some of them significant sales and there is good margin to be made there. I think that is why shows like yourself and I am really interested to come on as well, because I started watching your show a little bit more. Even if I have been doing it for a few years, there is always something interesting I hear. I am like oh, I will give that a try and see how that goes. So, anyway. Yeah, I have got a fairly sizeable portfolio, but I mean I know you know that lots of people have ten to 20 or 30 times that size.

Michael: Oh, enormous, yeah. But when you get into the five-figure portfolio sizes, 20 thousand, 50 thousand, that is a significant portfolio. Sure, there are people that own - individuals as well as companies - one hundred thousand, two hundred thousand, and five hundred thousand. I know people who have over one million domain names that will never talk about anything. But it is that middle portion that I think it becomes even more important to nail your process on how you manage your portfolio, but I want to understand, before we get into that, how your portfolio sort of is allocated in financial.

So, you mentioned your four letters and your three letters. Those are moneymakers. You could liquidate those today. You have upside potential. You could liquidate it to the Asian countries, like China, but you also have the upside of the Western countries that want to potentially use those as an acronym for their business and are willing to pay closer to retail or retail on those, and then you have got all these sort of high-risk perspective domains, the six numbers, the seven numbers, and the five letters that you mentioned, the .XYZs.

If you looked at your portfolio as a percentage, how much are sort of the riskier bets and how much are sort of the bread and butter ones?

Sam: (Unclear 13:44.9) now truthfully is the risk in my portfolio right now. It is probably a good ten thousand names that are one hundred percent risk, but I know they are. This is not a oh, how did this happen. I knew exactly what I was doing. I mean truthfully the risky ones, almost all of them, I have hand registered, and I might have hand registered some one year ago. In some cases, I have. Even over one year ago. Just out of luck now. But I guess what

that will correlate into dollars could be zero. I know full well that truthfully I might not renew these, because there is a one-time cost and I think that is where a lot of people are wondering, is that we are so new into this curve.

Truthfully we do not know how much is going to renew, if anything will. Everyone is speculating that everyone is going to renew, but it is really significant, where the domain let's say you registered for eight dollars is current worth 88 dollars. Next year it is another eight dollars, so it has got to go to something significant. You cannot go to 30 dollars. There is no point. You do not want a 50 percent renewal cost. I mean you can, but that is kind of crazy to be eating up that much of your cost just in renewal.

So, I try to look at names and hoping for the names to go to a hundred plus because then it is more reasonable. A ten percent renewal cost is not crazy. If you try to relate it to real estate or something, it is your ten percent cost of running that business.

Michael: So, when you make a more risky investment, like on these numerics and five letters, and you pay eight dollars let's say and just for rough numbers, ten thousand domains are more risky. You paid eight dollars for each of those, let's say. 80 thousand dollars every year is going into renewals of those domains. How many years do you expect to hold them before you might see that hundred-dollar price point?

Sam: Oh, well, I think most people are hoping to see it this year.

Michael: So, you are thinking it could happen within a year.

Sam: It could happen within a year and I think that I am not going to speculate now. I mean no one knows exactly what is going to happen. Right now there is actually a fairly sizeable shift happening, where it is not as hot as people were hoping for. The Chinese New Year has ended. I think a lot of people are like oh, they are going to start spending again. That is not really the case. That is not really how it works there either. You just know in the summer really what is going on. The spending. If you look back last year, after Chinese New Year, there was no giant amount of cash that entered. It really happened in the summertime.

So, I am going to wait till then to kind of see how things are shaping up, and I think we will know and the sales will start telling us where these verticals are going. I will not make a decision until near the end, and if there is an opportunity along the way to sell some, I probably will. I will probably, like a true stockbroker, try to take 50 percent off the table that mitigate your risk on this. I think people should. I know a lot of domain guys right now that have really doubled down this year. More than I think they normally would have. Invest much more than normal. I know I have.

Michael: And I know a lot of people that do that. Shane Coulter comes on the show on a regular basis and says if there is money to be made, I am going to take it and I am going to take that profit and I am going to put it into something else because there is always more money to be made. But from the pre-interview that you and I had, Sam, you are in a slightly different position. You have got a successful business. It has got some cash flow. I am not going to reveal any secrets about that. People can go look up your business, but that allows you to take a little bit more risk and maybe hold that risk a little bit longer.

For you, personally, would you take money off the table in order to mitigate some risk or are you looking to get more of a return on it by staying in longer?

Sam: No, I think even for myself. I mean I am not trying to just sell everything, but there are certain names that I would not be unhappy about selling. And I have heard this time and time again. There are always deals you regret. It is like if you had a four-letter and you paid five dollars for it or ten bucks for it. You sold it for two hundred and now it is worth two thousand. Like oh, I lost so much money. It is like well, you did not really. I mean you made a profit.

Michael: Yeah.

Sam: And I think people need to take that and really understand that. It is good to take some money off the table. It also keeps all the wheels turning, and you need that. You need deal flow for your own portfolio to make sure

that you can actually sell stuff. I think a lot of people think oh, I could sell all of my names to China tomorrow. Give it a try. It does not happen. I could not sell all my names tomorrow unless I took a huge haircut because there is not that many guys out there who are huge buyers who are going to want to buy all of them.

Michael: Right.

Sam: If the market price is two thousand dollars for a name, they are not going to buy it for two thousand dollars from me. They are going to want it for 17 hundred or 15 hundred in volume. I think some of the smaller brokers and the guys just starting out try to sell me names. It is like yeah, I understand the name is two thousand dollars in auction, but take off the 15 percent or the ten percent you paid. You waited 30 days to get paid, and they are buying one off. You want to sell me ten of them, so why would I pay margin then?

Michael: Yeah, exactly.

Sam: There are different perspectives, but even getting back to your point, I definitely want to take some money off the table just to make sure that I can. The different names that maybe I do not see as valuable, but there are certain names that are chips, or Chinese premium names, that I want to hold. Yes, it is a Chinese name, but there are Western users. I feel the value is undervalued still. And certain names I want to keep. Same thing with the four letters. I think a lot of your guys have been talking about it, and this is when I am very bullish as well, but less on the chips. The chips I do not like as much at all because there is no action for them. No other person to buy them other than someone from China. So, that is great, but it is nice to hedge your bet and get a quad premium four-letter. I think those are great, because as long as the letter combination looks possible that a business could buy them. I like those a lot more.

Michael: Yeah, definitely. So, you talked a lot about the acronyms and the numerics. Some of the .XYZs. You mentioned .BIZ as well, which sort of stands out from the rest. Are you still going old school, doing some .BIZ, maybe going for some .COs as well or .MOBIs?

Sam: I actually did pick up some .BIZ, but I picked up three-number ones. It is the three-number .BIZ. I would probably make more money if I went for the lower quality type of names, but for the really highly speculative ones that have already been hand registered, I do look for a little more stability in that vertical, so I am going to look for the things that are ultra rare, and I like the numbers a lot more. And that is relatively new for me, where the numbers are extremely complicated to understand the basics of it, but once you get a little bit of the basics, they are easier. They are more commodity. They are much more finite, number one. There is only one thousand three numbers.

And I look as well. I do a WhoIS report on them. I buy the whole report. I use DomainIQ. It is actually great.

Michael: Yeah, they are great.

Sam: I run the full report first, and then I just see. Okay, 50 percent or 60 percent was already in Chinese hands. This is not something they do not want, so I am not uncomfortable buying into that type of vertical.

Michael: So, let me back up for a second because you just mentioned a tactic that I was not aware that DomainIQ could do. You can buy a list of domains, like every single three-number .BIZ from DomainIQ and they will output it for you?

Sam: Yeah, there is a all .BIZ report there. I think in my account I get a thousand per day, so that is perfect. I can do the three-number every day if I wanted to.

Michael: So, you output a spreadsheet of every single three-number .BIZ let's say. You put it in DomainIQ. You output the .CSV of WhoIS and then you are able to sort by country and see how many are in China.

Sam: I just sort it by the registrar. I can see if it is already a Chinese registrar account. I mean I could make it even more detailed. I could look at the email addresses. If it is in a Chinese registrar, it is in China.

Michael: It is not going anywhere, yeah.

Sam: You know it is already there. It is like okay, there.

Michael: Well, that is a good tip because I use DomainIQ all the time, but I have not used that before, so that is a great tip.

Sam: I mean it has definitely really helped. Even the .INFO. That vertical that I happened to buy into, but for totally different reasons. My company was using the domains for our landing pages, and we use a lot of those. I picked up like four thousand to five thousand .INFOs last year, and I have (Unclear 23:15.4) a few short ones just because it was easier to generate the file.

Michael: Yeah.

Sam: And I started looking at it because they are coming up for renewal and I was like I do not know. What am I going to do with these? Am I going to drop them all? And I think I am going to keep probably about two thousand of them for sure that China is definitely already buying there.

Michael: Wow, China is buying the short, numeric .INFOs.

Sam: They are. They are saying they are not, but then I can just check. So, that is one thing people who really deal with Chinese brokers. Take everything with a grain of salt.

Michael: Yeah, exactly, and the data does not lie. The data does not lie, right? You are outputting it. The WhoIS is the WhoIS.

Sam: Yeah. All right, you could tell me where to look. I think that is good advice to know for a guy starting out. Just take an actual look. Do not guess. The numbers will tell you. You cannot lie. That is what they are. So, it could be small Chinese investors. You do not know if it is big ones, but you can do a little digging to kind of gauge. But even if it is small Chinese investors, I would rather call them than a Western investor in this instance because they know more than we do.

Michael: Yeah, totally. All right, today's show is entitled How to Simply and Manage your Portfolio, so let me start by asking you. Are you trying to simplify your portfolio now?

Sam: I am, and I think the Chinese (Unclear 24:34.2) kind of lend to this happening, where I was looking at some names that were coming up for renewal in one of my registrar accounts. And I was looking at the names with like ten names going to expire and I expanded it. A hundred names. In my head, I convinced myself. I was like I will renew this one. I remember this one. I like this one. And I realized maybe this is not the best approach to looking at all these names, so I decided to look at my actual portfolio and say okay, I am actually going to take a more analytical look at it.

Michael: Right.

Sam: And when I actually started looking at it, I realized three kind of basic points. One, I was emotionally attached to a lot of the names that I own, and I think any true domainer is emotionally attached to some of those domains and that is probably not a good thing. Number two, I realized that a lot of names I bought in the past are not that popular anymore. I just realized that I had not really sold any of these for a long time. And the last one I think is like the biggest point. A dirty secret in the domain community is we always talk about that domains are cheap to own. Yeah, they are. Ten bucks. Nine bucks to own one domain. But it costs a small fortune to own 20 thousand.

And you realize your portfolio just starts growing, growing, growing, and sometimes you just do not really gauge how much it is actually costing to renew all these names. So, after I kind of decided that yeah, I was going to do this, I looked at three different criteria to decide really what names I was going to try to sell. So, the first one was revenue. So, was the name covering these costs? (Unclear 26:18.4). And not everyone purchased their name, so maybe this is not relevant, but it was for me for a lot of my names. So, I just saw were they covering their costs. If they were covering their cost, I was going to keep them. And the cost of ownership was zero, so I might as well wait to see if I can get the offer that I wanted.

So, that was easy, so all those names I kept.

Michael: So, let me pause you for a second right there, Sam, and ask you. Revenue and parking. I know a lot of people do not park their domain names because they do not actually get any type-in traffic, so it is sort of a waste to show advertising when really you want somebody that is going to type in the domain name that may want to buy it to contact you. Who are you using to park your domain names and did you have some sort of banner at the top or somewhere on there that said for sale as well?

Sam: Yeah, all my names that are for sale are for sale. They have a banner on it. And I use Domain Name Sales for most of them. I do park some of them at others. I do Sedo. I use Above as well to manage some of the names. It is actually a great tool to manage your names. Above. I am sure you guys know. I do not use it always with parking, but I really like it for the reports, so there is another little secret.

Michael: What was that one?

Sam: Above.com.

Michael: Above.com. Yeah, they do have great reports.

Sam: If you have entered all your parking information into Above, you can run one parking report, so I do not have to login to five different parking guys to see. I just run that one report for the whole year and I can see the revenue across all my platforms.

Michael: Yeah, so you park every single one, so they measure every single hit, every single display, every single click, and they tell you how much every domain name is making. And you just look. My cost is whatever it is you are paying. Eight or nine dollars.

Sam: I would do like eight bucks. \$8.50 to nine bucks. Somewhere in there.

Michael: Yeah, somewhere in there.

Sam: Because if it is close, it is fine. I just want it to be close. So, I put all those names in one pile, and then, as you were saying, maybe you do not park the names. You do something else. So, I use another variable. There was not just one variable. The second variable was inquiries. So, I actually use Domain Name Sales for that as well, because they track inquiries. It is quite helpful. So, you can run a report in their system on the number of inquiries you have gotten over the year. Every name, for me, if it has got one inquiry, just one inquiry over the year.

Michael: Just one. Even if it is like hey, here is ten dollars for this domain name.

Sam: That is enough. I mean you are not trying to micromanage it that way. I am looking at it from another space and going someone else is interested in it, because that is the concept. Are you the only idiot that likes the name? Because if you are, it is probably not a good thing. I do not care if another idiot likes and they only want to pay ten dollars. There is someone else.

Michael: Yeah.

Sam: So, it is an indication that somebody else wants the name, so that is good. That is something where you know.

Michael: Definitely.

Sam: And for me, I can afford. If you want to look at two inquiries, depending on how big your portfolio is. I was not going to micromanage it and look through every single inquiry. It was 20 thousand names. Let's look at this a little bit.

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Michael: And you do not look at it and qualify it at all. It could come in from some third world country. It could come from the United States, and you are saying somebody else wants it.

Sam: I think that is a great thing there. A third world country. Now, think about it. A third world country a few years ago was China. It was a developing country.

Michael: Developing, yeah.

Sam: So, those leads might not be valuable right now, but I think India would be an area where people are getting a lot of inquiries, where the prices are pretty low, but the economy is expanding. Everything is growing. So, yeah, if you keep inquiring about it, I figure the price will get to where I want it to be within my horizon growing.

Michael: Yeah, okay.

Sam: But this still left a whole bunch of names that did not fit any of the above criteria.

Michael: Is it fair to say that a majority of your names did not meet one of those two criteria?

Sam: Well, six thousand. I know exactly how many. About six thousand. Yeah, somewhere around there. So, six thousand did not seem to meet that, so it was still pretty shocking. I wanted to look at it again because I was like oh, that is a lot of names.

Michael: That is actually pretty surprising. So, 14 thousand of your domains roughly get at least one inquiry or cover their cost or close to it on a yearly basis.

Sam: Well, there is a third criteria.

Michael: Okay, so what is the third criteria?

Sam: I missed that. I am sorry. The third criteria is the China factor. So, the Chinese names basically make no money parking. No one is going to inquire on that name parked on a forum. (Unclear 30:56.2), but that is perfect. That means it is doing exactly what it should do as a Chinese name. The 404 page. Yay, perfect. So, all of those names I kept, so a big chunk of those names were Chinese names.

Michael: Got you, and that was the six thousand that you were talking about just a moment ago.

Sam: Yeah. I mean there is more than six thousand of these names. There is probably 12 thousand or something in there. So, yeah, it was those three criteria. So, parking, inquiries, and was it a Chinese name, and the Chinese names your readers should know, what those names are.

Michael: Yeah.

Sam: But that still left me with six thousand names that did not meet any of those criteria.

Michael: Okay, got you.

Sam: So, those ones are the ones I looked at some more variables to try to narrow it down a little bit, because I did not want it to be six thousand

obviously. So, I used EstiBot actually again. Another good tool for looking at things in a different way. A lot of people hate EstiBot, especially when someone is trying to sell you a name. Oh, it is worth 200 thousand dollars on EstiBot. That is nice, but does not mean you are going to get 200 thousand. But if you are looking at six thousand names, it is actually really helpful to run a list through there.

So, you get the full EstiBot report. So, that is one variable, and I use two things actually from EstiBot. I use the EstiBot value and I use the amount of domain extensions taken. And then the other two variables I looked at was the age of the domain, which you can get from DomainIQ, so you can put that in, and then I looked at the price I wanted the name. And any one of those variables by itself did not mean a lot. A simple example would be names that were between zero and five hundred dollars EstiBot thought they were bad, and names that were only two years old or less than two years old. I knew I should probably drop those names.

Michael: Yeah.

Sam: So, that was about two thousand names that for whatever reason I bought those and they were not working out. They did not get any inquiries. They do not make any parking. EstiBot thinks they are worth nothing. They are probably worth nothing. It is a good indication.

Michael: And that is a lot of domain names. Two thousand that are like made-up words or industry words.

Sam: I mean I think any person in domaining who is really active always tries something. All those names I just bought from China could be those in one year. So, one year ago it could have been something else. Brandable names were very popular a year ago and I probably hand registered six hundred of them. I mean they were garbage for me. Someone else might like them. So, we will get into that, where it goes from there.

So, into that list, I looked it again because you look at it the opposite way, which is EstiBot thinks they are valuable, and I looked at ten years or more. So, they were ten years old and EstiBot thought that they were valuable. And

of those, I had about five hundred names. So, those I actually looked through individually. Every single one because that is a good indication these names are valuable in some way or form, and about one hundred of them I said okay, I am going to keep these. I am going to renew them. I can afford just to keep them for longer. And the other four hundred I said okay, I am going to sell.

So, in total, it was about 59 hundred names I was left with that I decided I am going to try to get rid of these. And that was one of the main things in this exercise, is that no matter what, I am up 60 thousand dollars. And 60 thousand dollars over ten years is 600K, so it is significant. This will be a significant improvement on my portfolio.

Michael: You are saying you are up, but really you are saying that you are going to save yourself 60 thousand dollars by dropping those six-thousand-dollar domain names.

Sam: Yeah, no one handed me a check for 60 thousand, but I am not spending the 60 thousand.

Michael: Right. You know you are not going to have to spend that money at the end of the year.

Sam: And on top of that, it is not even just about that. It is not just about this house cleaning. In many ways, it was liberating to go okay, I have got rid of stuff because a lot of these names are valuable and I am going to sell them off. We can get into that after, but I wanted to focus on the top 80 percent. I mean there is nothing wrong with reshuffling your portfolio and going okay, ten percent. It could be five percent of your portfolio. Whatever it is, but actually taking a harder look at it, because if you just look at those criteria, just think of it logically.

It is not covering its costs. No one else seems to really like this name like I do. It is not a Chinese name. Maybe someone else should own it.

Michael: Yeah, I know. I have got too many names like that as well. I loved it when I saw it on the drop. I picked it up and I cannot believe that nobody has contacted me over the past four years to buy it.

Sam: So, it is a crapshooter. Buying names like that. There is nothing wrong with that. This is gambling. This is not sure money. You are buying a name for one hundred bucks or two hundred bucks and you are hoping to sell it for one thousand or two thousand, maybe ten thousand. It does not mean it is going to happen. You are hoping for that to happen, and that is the problem of domain investing for the last ten years. Eight of it was truly very risky in a sense, getting in.

Again, it was the keyword names. One-word names. Yes, those are very valuable now, but for a long time those were a lot of dead capital. You would have to put in a lot of capital. You would have to sink into these names to hold them, waiting for an end user to come. A lot of guys have done well, but you also do not hear many stories about all the guys who lost a lot of money.

Michael: Yeah, but it is not dissimilar to physical real estate, where people will put money into houses, into land that do not appreciate and then they are not anywhere and they have to sell it at a loss. That happens all the time as well, even though you hear about people selling for appreciated value.

Sam: Yeah, think about it in real estate terms. So, that means no one is going into your house. No one is renting it. They are not able to rent. And no one has ever knocked on the door, ever. So, you just built a city somewhere and you are hoping. You could look at it on a longer-term horizon if you want to look over two years. And I did look at email inquiries as well, but that is pretty difficult to track, but I knew by looking through the high-value names what ones really had gotten email inquiries. Those were ones I wanted to keep.

So, I mean this exercise is about really housecleaning, where you are also taking a more analytical look instead of such an emotional look at domains. Every (Unclear 37:37.7). I am still waiting until I look at it. I love this thing. This is great. And I sent it to Drew and we have a disagreement.

Michael: Right. Exactly. He is like why are you keeping that.

Sam: No, I hate that name. I was like what. I did not even pay that much money for that name.

Michael: All right, so let me ask you, Sam. Revenue and parking. If it covers, it is nothing. You keep it. Inquiries. If it gets at least one, then you keep it. If it is a Chinese favorable domain name - a numeric or an acronym, and people can go look up what domain names China likes to buy -, then you keep it and that leaves you with six thousand or a bunch of left. Probably about 20 to 25 percent of your portfolio, and then you are going to look at those and say if they have less than five-hundred-dollar EstiBot value and they are relatively newly registered and they do not have any other extensions taken, then you are going to likely drop those after review. And if they are greater than I think you said ten years.

Sam: I mean everyone is going to be different. For me, in total, I am still getting rid of all those names, but I am going to look at them differently. So, the bottom two thousand, am I going to waste my time trying to promote them? No. You are just wasting your time trying to sell them, and you see those lists. I have seen those lists on your show. You should just not waste your time with those lists. That is a mistake.

Michael: Exactly.

Sam: You could try to sell them, but I am not going to promote them.

Michael: All right, and I am going to ask you that, but let me get this though. That seems like a somewhat laborious process to go through. How often do you do that? Domains are coming up for renewal every single month.

Sam: For me, this is the first time I have ever really done it.

Michael: So, going forward, how often are you going to do it?

Sam: Every year for sure.

Michael: Every year. So, then you are going to wait. If a domain is expiring in October of this year, and we are in February right now, you have already done your analysis and you know that domain is due to be dropped for the reasons that we just cited. Your own personal criteria. Are you going to wait until October to drop it, or are you going to try and sell it, or are you going to drop it early?

Sam: I am not going to drop anything early. I mean that is silly. There is no point in doing that.

Michael: There is no point because somebody might contact you and offer to buy it between now and then.

Sam: Yeah, but I am going to look. I immediately created a portfolio. I did this in Domain Name Sales, where I create a portfolio. All of my names that are the six thousand. I am like okay, these are all going to drop. Then I can set the auto-renew. These are pretty simple things to do. You go in your registrar accounts. You just paste in the same lists. You set them all to not auto-renew. Nature will take its course. You do not have to do anything else. There is no difficult task here. Yeah, it will just do it itself.

Michael: Yeah, and it is a little laborious in GoDaddy. I know Uniregistry's interface is slick, so you can go in there, create a portfolio list of just those ones you want to drop, label it like that, and then set them to not auto-renew.

Sam: Yeah, I mean I use Uniregistry as well. It is a great too. I do use GoDaddy as well. I use a few different registrars for different reasons. That would be a different discussion, but whatever way you do it, it is not complicated. It really is not. So, you have got this list of names that you have decided that they are not going to renew, so just simply set them not to renew. Some of those might have two years left on them. I think a lot of my older ones do actually. I might have added years. You move a domain from one registrar to the next. You just keep adding on a year. So, some of these names I have a fairly long window to try to sell them. But in general, I have got this list now that I am like okay, what are we going to do with these.

Michael: Yeah. And do you wait? On the domain names that you know you are going to renew, do you wait until the last possible moment to renew it, thinking that if it does sell the week prior to the renewal, then you will not have to pay for the renewal?

Sam: I think when you start focusing on stuff like that, even registry costs, I always hear this thing. It is like oh, I pay \$8.39, \$8.49, \$8.59. You are dealing with pennies, so you are wasting your time. So, when you are doing stuff like that and deciding if I am going to wait the extra week, you probably have got nothing to do and you are (Unclear 42:05.2).

Michael: So, that is not a factor for you.

Sam: Just set it to auto-renew.

Michael: Well, but I know a lot of newer investors are like I am going to hunt down every coupon and buy a domain name for a buck. And if I sell it for two hundred bucks, that is more profit in my pocket, and more power to them, but you are saying you do not do that. That is not worth your time.

Sam: Yeah, if you are just starting out and you have one hundred names, then yeah, you should do that. You should pay attention to your renewals. You should pay attention to your registration costs. All those things are going to be significant because you are dealing with names you bought for 20 dollars or are selling for 40, and just the transaction costs alone, you might have lost ten dollars in there. So, then yeah, of course you are going to have to look at every single detail and try to maximize it. Really what am I going to tell you? I mean you just keep hustling.

Michael: Yeah, exactly.

Sam: And you will do fine, but you need to have some buying power, and I think most of the people you have had on that have done interviews might have started off at X. Now they have made 20 thousand bucks. They have done whatever. I think this is more for them as well as some of the older guys who have a lot of domains. This is more look at your portfolio and simplify

things as much as you can because your time is worth something and most people discount their time to zero. Basically you are paying yourself nothing.

You want to simplify things, so set everything to auto-renew. The registry account will take care of it for you. Do not worry. They will have your credit card in there or whatever it is. It will manage it. And for me, I was not micromanaging it to that level.

Michael: It is funny. I think I do have all of my domains on auto-renew by default, but for some reason I always go in there and renew them manually. I do not know why. That is a good point. If I am going in and determining which domain names I should keep on a yearly basis or every six months or whatever if you are not comfortable waiting a year because the markets are going to change or whatever the case may be, I should just allow them to auto-renew.

Sam: Nothing bad will happen.

Michael: Yeah, not spend my time going in there.

Sam: But that is a very typical domainer thing. I will do that. I have changed that, but I still do it as well. I still look at my accounts to make sure. I still like them, but you have just got to step back and go okay, am I just looking at the names or am I just bored. What am I doing here?

Michael: Right.

Sam: But if you set it on a year, you can just think about it. Nothing bad can happen. Just not possible.

Michael: Right. All right, so the domains that you have determine do not meet your criteria that you are going to move out of your portfolio. You mentioned that there were about four hundred of them that you were going to sell. If they are not getting any inquiries and they do not have any parking, do they have any value?

Sam: Yes, I was taking a very aggressive approach to looking at the names. And I am not trying to sell four hundred. I am trying to sell all, but there was a certain group of them that were higher that I want to spend my time on. This is just about managing your time better. So, first, let's look at the low end. The two thousand names that I know most likely nothing is going to happen. All those I am just not going to focus on, but now you are left with in this case four thousand names I am looking at.

And yes, there was five hundred names that looked extremely valuable based on the criteria I set. So, the better names I am doing with NameJet. I think it is the best platform out there for this type of name, where the valuable names are older names. People have automated systems that are scanning NameJet all the time to look for names that are ten years old or more. And just because it has not gotten an inquiry this year, I have been registering it for a few years. Somebody else probably registered it for a few years and might have dropped it. It has been around a while. There is an inherent value in that, so those names I am going to be promoting on NameJet.

And in my case, I added more names to my portfolio to make it more attractive. So, I added a whole bunch of Chinese names into my portfolio so that there would be a reason for people to look at it as well as a reason for me to waste my time on it. I want to make sure there are some sales on there. So, there is a very large group of four letters and a fairly large group of three-letter .COMs that I have mixed in with the premium names.

Michael: Got it. And why did you want to mix those in rather than just holding on to them? Did you need to do that in order to convince NameJet to take all of the domain names, or was there another reason?

Sam: Well, different reasons. One, I wanted to make it more interesting for me and Jeff. It is a business they are running there. You cannot just go and publish some shitty names.

Michael: Well, and that is the first thing that comes to my mind. I get emails from people all the time, saying hey, I know NameJet sponsors a portion of your show. I submitted domain names and they did not get back to me. Yeah,

that is because your domain names are shitty. And we all have them. It is not anything personal. It is just they are not good.

Sam: Yeah, so I threw some carrots in there, and those were at the top of the list. And they knew. The rest they said all right, if something sells on the bottom, that is great. They do not care. They know they are going to make some money. I know I am going to make some money.

Michael: By spending the time, bringing that portfolio in and selling them. So, that makes perfect sense. They are in a business to make money.

Sam: For me, that is how I did it. The lower valued names I am going to use GoDaddy. The GoDaddy auction. Before, I was kind of like you. It was a wasteland. It was weird, hard to use, but it is actually very, very active. If you go on there now, there is so much inventory on there, but it is selling. So, you can setup stuff up there, no reserve, and almost all these names I did no reserve. So, this is something I think domainers have a lot of problems with, but you might have paid five thousand dollars for a domain. That does not mean it is worth five thousand dollars. And everyone has done this.

If you are a true domainer and you have been in this industry, you have made mistakes. You just have not maybe admitted them yet. So, part of this exercise was names I realized I may have paid a thousand dollars for, five hundred dollars for, and I paid for it ten years ago. But that is not the point. If you put these in marketplaces, the market will tell you what it is worth. If it worth 50 dollars, it is worth 50 dollars, but that 50 dollars I get now, I know a lot more than I did back then and I am going to reinvest it. I mean having 50 dollars in a domain that I cannot spend or do anything with is dead capital.

Michael: So, Sam Dennis, you are telling me that you spent five thousand dollars on a domain name that does not get any inquiries, that does not have any parking, that does not appeal to Chinese investors, that EstiBot does not even have a value above or close to that five thousand, and now you are saying it is time to meet my maker and you are going to blow it out, no reserve.

Sam: Yeah. A lot of these names did have high EstiBot values in there, but as I said, there is a group of two thousand that were crap. I do not want (Unclear 49:20.1) terrible name. No, there were some really high quality names in there that did have high values. The whole point for me was that I just did not want to hold them anymore. I have already been holding them. I know what is more active right now, and some of them are Western names. Some of them are Chinese names. I guess it is just time to make a change.

Michael: Yeah. So, how do you pick which domains go on to NameJet versus which go on to GoDaddy?

Sam: I mean there are also other platforms too, but two different types of names. But for NameJet, I just chose the better names truthfully. I first actually did a bigger group of names. I put like five thousand there, and then I saw the list of what it looked like on NameJet and I was like this portfolio looks terrible. So, I made them remove four thousand of them.

Michael: Wow.

Sam: Yeah, I was like you know what. This does not look right. Let's just clean this up. It needs to look attractive. You can see garbage names, and when I look through the names on NameJet and it looks like all garbage, I might not look through the whole thing. I want to see some premium names in there. So, if you are trying to submit a domain to NameJet, I mean the simplest ones truthfully are three-letter and four-letter. All the Chinese names are really what they want. They keyword names. You can put them there, but the keyword names is where you are going to take your biggest loss everywhere. Unfortunately, reality is those types of names you have to own a lot of for it to work out.

I mean people only tell you about the ones they have sold. They do not tell you about the ones they own. So, it is like hey, I sold a name for 30 grand. Cool. How many do you own? A lot.

Michael: Yeah, exactly.

Sam: A lot of other ones. The keyword names are difficult because you have got to hold a lot of them, so you might take a loss on some of them. You might not. You never know. But the keyword names Flippa is a lot better for. You could promote them that way. GoDaddy probably not. Probably Sedo would be better for those because you could maybe get in the great domain showcase. Pay a little bit. I mean everyone has their own places where they want to put them, but for me, I try to simplify it, so I use NameJet for the better quality and I mix in the three-letter .COMs, the four-letter .COMs, and then GoDaddy. Two thousand names. No reserve. Anyone bids on them, that is great. If they do not, they do not. They are not going to renew, and some of these I probably have a few months to try, and I did focus on the names that were going to expire first and try to promote those, but it has got to be a process.

Michael: Sure. So, on NameJet, I know that Jonathon and Scott will form relationships with people, larger investors like yourself, to get access to those great portfolios. You submit a spreadsheet. It is pretty easy. If you agree that these are them and what the reserves are if there are reserves, they will take them and put them on the platform. On GoDaddy, is it as easy to take two thousand domain names and get them listed on their platform? What is that process like?

Sam: It has not been that easy. There are two different ways on the GoDaddy platform, and truthfully it is pretty convoluted. It is almost like the Sedo platform. It is a fairly old platform. It is just not that intuitive, but I think about 100 to 200 names at a time I can submit fairly easily through their platform, taking a few times back and forth. And then, with an Afternic account, you can submit your whole portfolio and it goes on, but it does not seem to have the same effectiveness as going direct through GoDaddy.

They say it is the same, but it does not seem to be the same so far, but I am hoping they are going to improve that platform. I think they will over time because I am sure it is fairly significant to their bottom line. If you look there, there is a ton of really Chinese names that are on there right now that are selling, but there is a lot of other stuff as well. So, for me, I just divide it up. And as I said, I have more time on some of them, so I am just focusing on the ones that are expiring within the next four months first, and then I will focus

on the other ones later on. And they are all still for sale, so I am hoping to maximize my return on these and sell them out and sell them for what I can. So, I am going to be a lot more easier to negotiate on the names that are in that do-not-renew pile.

Michael: Sure. The ones that you submitted to GoDaddy for auction. Did you put them in at no reserve? Just winner take all. You win the auction. It is yours. If there is only one bid, it is yours. I am getting it out of here.

Sam: Yeah. I am not sure if you have done interview with him, but there is a domain investor. I will not say his name because he does not like it.

Michael: Tell me afterwards, yeah.

Sam: Yeah, I will tell you after, but he just said you have got to (Unclear 54:15.8) because the reserves means that I know this from a buyer. When I am looking to buy a name on GoDaddy or NameJet that has a reserve, it is just not as attractive. It just is not. A no reserve name is going to sell. There is just no way around it. It is going to sell. So, it is hard and I think a lot of domainers are like oh, but I could lose money. It is like well, did you not already lose it?

Michael: Yeah, and you continue to lose it.

Sam: Well, if someone was only willing to pay a thousand dollars for it.

Michael: Yeah, it is tough to swallow. I remember I put I think five domains on to NameJet last year in a similar type of process that you went through here. I am like I just need to get these out of my portfolio. I never get any inquiries on them. I do not park. And so, I moved them all over there. Two of them did not get any bids. Two of them sold I think for 69 dollars, the minimum offer. And then one of them just blew me away. It sold for 25 hundred dollars with multiple bids. And thank you. Like that is all I needed to believe in the no reserve. If it has value, it is going to sell.

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Sam: I think that is the real thing. If there is value in there, someone else is going to see it. And if they did not see it, then there really was not any value as you hoped there was.

Michael: Exactly.

Sam: So, the marketplaces are now active enough that you can do this with somewhat confidence. Now, cheaper names - there I have to stress - are much more rigged. A lot of the keyword names that were very significant in the (Unclear 55:55.8) I did put reserves on, but it was probably a handful. About five to ten names that I was like I am not willing to let these go yet at no reserve, and even Drew does this as well. You will see his auctions on NameJet. Almost always he uses a reserve on his keywords and sometimes even on his Chinese ones, but it is a very low reserve. It almost always hits fairly quickly.

So, I cannot guarantee how well it is going to go for you, for your readers out there. It is the market, but the market is fairly active, so you should see bids. You should see sales. And since I have started this process, they have already started to sell off, and there has been a few surprises. Happy surprises. A few bad surprises.

Michael: Yeah. Well, I will say this. If anybody is an expert on the GoDaddy auctions and wants to come on the show and do a tutorial about how to list them properly and how to make sure that they are in the system as quickly as possible for somebody that has gone through a similar system to what Sam is recommending here to simply a portfolio, I would love to have you on. Reach out to Michael@DomainSherpa.com. Let's have a conversation.

Sam: Yeah, I will watch as well.

Michael: Yeah. Sam, 22 thousand domain names. Do you use privacy or do you use your contact information on all those domain names?

Sam: It was funny. I use privacy on almost all my names.

Michael: What?

Sam: Almost all of them are on privacy. I mean I still get emails. I just do not get the phone calls, and the phone calls always annoy me. I almost never get a real phone call.

Michael: That is funny because I do not think I have ever gotten. I do not have anywhere near the domains that you do, but I do not think I have ever received a phone call. Everybody always reaches out by email. Who calls you? What kinds of people? End users. Investors. People from different countries.

Sam: Normally confused people. It is normally very confused. I mean the thing is if someone wants the name, I have made the name number one. Go to the name. I have a contact us form on it. You can contact me. Okay, you did not do that. You know how to use WhoIS and you are looking for my phone number. Well, then you know I have listed email right there. You can click on it. You can send me an email. But if you can convince me that I should put my WhoIS information, then maybe I will. I just do not see the value yet other than getting more phone calls.

Michael: Yeah. All right. Well, I am just here to ask questions. I know a lot of people will say if you do not want to be contacted, do not put your WhoIS information. If you want to sell the domain name, put your WhoIS information. So, I go back and forth. I think it might have been Rick Schwartz that said that, so I go back and forth and I think I have all of my domain names with contact information, even like on operating businesses. If somebody feels like they want to do the WhoIS and contact that email address, even though it is like some form email address, DN-Admin, that comes to me anyways, but I know where it is coming from at least, so be it.

Sam: We will do a test. We will get one hundred names and we will setup 50 of them one way and 50 the other. We will do the same types of names. We will see if there is any difference.

Michael: All right.

Sam: But I can change their name (Unclear 59:14.5).

Michael: Let me ask you, Sam. With all these domain names, you have been on the Internet for years, operating businesses, using domain names in the businesses. What has been your biggest domain name mistake?

Sam: This is another one I laughed at. This is going to make you happy or make other domain investors happy, because I normally use a few examples for some good mistakes, but at the time truthfully they were not mistakes. Everything was in hindsight. So, one was the .XYZ. I know (Unclear 59:48.1) fairly well and I have purchased a group of three-number. A fairly large group of them and I let them drop because I was not using them. I used them for my company for a year. As I mentioned before, we use names for some of our landing pages, and that is the business cycle of the name.

It was not being used as an investment. I was just registering them because the price was cheap in the beginning. I do not know if you remember when .XYZ came out it was still cheap. I think it was two dollars or one dollar.

Michael: Yeah, so less expensive than the .COM, so you were using them sort of as a burner. Like somebody will click on an ad or somehow activate something and it goes to like 123.xyz and then you used it for that campaign.

Sam: The URL would show up in there or it would be a redirect URL, but whatever it was, the purpose of the name was what it was. And I did put all the names up for sale as soon as I registered them all. I did not get one inquiry over the whole year. As they started to drop, I started to get a few inquiries and I was like huh, this is weird. And this was kind of the beginning of the Chinese bubble starting to occur. So, in many ways, I did lose a ton of money.

Michael: How many domains did you let drop?

Sam: I do not know, like a half-million bucks. It was fairly significant. It was significant, but it got me serious about the Chinese market. At the time, it was not a half-million dollars. Now it is probably about a half-million. But I just laugh at it because realistically I did make a mistake. I just did not have the knowledge at that time.

Michael: The market changed. Who had the knowledge? Yeah.

Sam: The market changed. It was not there. And the same thing. I passed on a two-number .COM back in the day. Someone offered it to me and he was having a lot of trouble selling it. No one wanted it and I was like you know what. I will just take a keyword name. I want that. So, there is another two million dollars that unfortunately did not go well. But in hindsight, every single good investor could have got more money, so you learn from your mistakes and that is part of this process of cleaning up your portfolio. I mean you are just going to have to move forward. If you are going to get upset about every deal that goes bad, this is not a great business for you.

Michael: Yeah.

Sam: You do not really learn anything from doing stuff correctly. I mean you just keep doing it. It is the mistakes that really help hone in.

Michael: That is true. But now that I have asked you about your mistakes, I have to ask you about your biggest success. What is the biggest domain or the highest valued domain that you have ever sold?

Sam: I am more of like then ten to hundred-thousand-dollar range. That is really my sweet spot. I sell a lot of names in that ten to 100K, so I have had like that one-million-dollar sale. I would love to say I did, but truthfully I would rather have those ten-thousand-dollar sales every month than be waiting for that one sale once per year.

Michael: Totally. It is like a lottery ticket versus regular income that comes in your business, yeah.

Sam: All my businesses are just one hundred percent cash flow, so that is what I focus on. It is just I rather have a real business that just makes money than a business that is hoping to make money one day, so all my business are just focused on cash flow. And the domains are the same. A lot of the domains I am holding for a long time, where I do feel the value is going to keep increasing on them, ones that I am confident on. There are names I have

made mistakes on, but we will just move on and just keep going. It is not the whole portfolio.

Michael: Yeah. What is the craziest deal you have ever done? I love Drew's story, where he talks about selling this domain name to somebody that is importing this type of ham from Cuba that was illegal and he traded it for money and ham. Have you ever done a crazy deal or something that after the deal, you are like I cannot believe that you paid that much for the domain?

Sam: I have definitely a lot of deals for names where I am sending money blindly to someone, just kind of knowing.

Michael: Which we do not recommend here on Domain Sherpa.

Sam: It is just very difficult on certain names, where the person is in a different country. A little worried about it. They do not want to use escrow. The country does not accept escrow and payout sucks. I have done a lot of deals where there is a lot of faith involved, but I do do my due diligence. I am not just sending money. I am taking a strategic bet on it, but crazy domains. There has never been a deal that was just like that, that was just insane, but it is normally a deal where I am just sending money and just praying. Just hoping.

Michael: Yeah. Awesome. If you have any questions about today's show, about Sam's process for reviewing his domain names for renewal or to drop or sell, please post them in the comments below this video on Domain Sherpa and I will ask Sam to come back and answer as many as he can. If you have watched this show and you are thinking I know how to do something unique in the domain name industry, like auctioning on GoDaddy because I sell all my domains there at no reserve, or what have you, I would love to be a Sherpa, contact me. Michael@DomainSherpa.com or use the link in the upper left-hand corner that says be interviewed on Domain Sherpa. Click it. Let's chat about the topic.

I also encourage people who are watching the show, investors that are learning. Take a moment. Take a minute. It only takes 30 seconds. Reach out. Post a comment. Post on Twitter. There is a button right underneath this

video. Just take 30 seconds and thank Sam for thinking through this interview, for coming on here and sharing an hour of his time with you. A great thing about the domain industry is that there are so many successful investors out there that are willing to give back to others who are not in the same place that they are and it is a great industry where somebody could start today and, in just a few months, be earning just as much as they are in their day job or doing it consistently or looking at the right domain name for long-term growth, like Sam has done with a lot of these numerics. So, I am going to be the first to thank Sam on air here. Thanks.

Sam Dennis, CEO of YTZ International. Thanks for coming on the Domain Sherpa Show, sharing your knowledge about domain name management and about portfolio simplification, and thanks for being a Domain Sherpa for others.

Sam: Thank you. That was great. I had a great time.

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

Watch the full video at:

<http://www.domainsherpa.com/sam-dennis-portfolio-management/>