

Tess: On today's show we're joined by Frans van Hulle, CEO of one of the top lead generation companies in the world. He discusses why their company rebranded to PX.com and gets into the specifics of what value and advantages that has added for their company. Enjoy the show.

Tess: First, serious about online trading? Secure your funds. Keep your merchandise safe and use a company that keeps the buyer and seller protected the whole way through. That's Escrow.com, payments you can trust. Finally, if you're a domain name investor don't you have unique legal needs that require domain name technical know-how and industry experience? That's why you need Stevan Lieberman of Greenberg & Lieberman, or Jason Schaeffer of ESQwire.com. Go search for Jason Schaeffer or Stevan Lieberman on DomainSherpa. Watch their interviews and you can see for yourself that they can clearly explain issues, can help you with buy-sell agreements, deal with website content issues and UDRP actions, and even help you write your website terms and conditions. Stevan Lieberman and Jason Schaeffer are the lawyers to call for internet legal issues. See for yourself at ESQwire.com or APLegal.com.

Tess: Hey, Sherpa network, thanks for joining us today. We're delighted to have back Frans van Hulle of PX.com, recently re-branded from ReviMedia, and Andrew Rosener, his good friend from Panama. Both of you joining us today from different ends of the world. Welcome back.

Frans: Thank you, Tess. Happy to be back.

Andrew: Yeah, great to have you back, Frans.

Frans: Yeah, good to see you.

Tess: So Frans, you thought about doing this interview from Andrew's old place in Panama. We hear you not only do acquire great domains, you acquire great properties.

Frans: Yeah, so I met Andrew, I think, five years ago or so, and since then it has cost me a lot of money basically. So he has been selling me domains, properties, and the amounts are getting bigger and bigger every time I make a new deal. So I'm getting concerned for the next one.

Andrew: Hey, listen, I'm elevating your game, you know? You gotta spend money to make money. I'm making you stretch to the next tier.

Frans: Tell that to my wife because she doesn't understand.

Tess: Now Frans, one of the last times I spoke to you on the phone you were in the hospital while your wife was giving birth. Do you remember that?

Frans: Oh wow, actually I don't. Is that true?

Tess: It is. And I was like, "Frans, I don't need to talk to you. Hang up, go." And you were like, "Nah, she's busy."

Frans: Yeah, probably the contractions were not that strong yet, so I think I was in a safe place at that time.

Tess: Yes, I think so, but quite the story all the time. So Frans, ReviMedia, which has been around since 2010, one of the biggest in its space, and you've recently rebranded as PX.com this month.

Frans: Yeah, correct. So maybe I can give some context around that. So we started as a lead generation company in 2010, mainly focused on verticals like insurance, mortgage, the home services space. And part of our DNA is technology so we have been developing our platform since day one, and the platform also enabled us to be competitive and to make a difference, and it allowed us to grow. And you're right, so two weeks ago we rebranded to PX, and basically the whole company, and PX is the name of our platform. So, you know, basically we are the platform and that's called PX.

Tess: Very cool. So you were ReviMedia from 2010 til 2016, then you acquired PX.com from Media Options and ran parallel brands, and with the intention to merge them. Is that right?

Frans: It would make me look like a really smart person that if I knew in 2016 that we would merge in 2018, but in fact, that's actually not true. So when we started, so we had ReviMedia. And at the time we made a decision to separate our platform from ReviMedia and sell it as a separate product, as a SaaS software product. And we did that, so we set up a team in LA and they were operating under the name PX. And we have been modestly successful, so we have been licensing our platform to a couple of hundred clients.

But we felt that we didn't maximize the potential. We were not leveraging all the stuff that we had on the ReviMedia sites, and, you know, in 2017 we started to discuss, like, "Okay, what could we do to leverage what we have on the ReviMedia site, being the publishers, and the lead buyers, and the clients who are using PX today?" And basically after brainstorming and a lot of those internal discussions we decided to basically put those two models together. So our PX clients who are using our platform, they also have access to our...what we call open exchange.

So basically when you are a PX client you have access to all the publishers connected to PX and you also have access to all the lead buyers that are connected to PX. So basically we're, I would say, yeah, call it the Amazon of leads where we basically allow our clients to create their own shop on our platform buying or selling leads, or both.

Tess: And I think you're very modest. I think you're not only the Amazon in terms of how it can be done but also in terms of market dominance. Is that an accurate statement, or should we have Drew answer that?

Frans: I've not been accused many times of being too modest, so thank you. But yeah, so in [inaudible 00:07:05] in which we are active we were really

able to gain good marketshare, and I think we are a leading player in, for example, mortgage and home services. But it can always be better and those markets are huge, and this is just the beginning. Yeah.

Tess: You know, I think that you saying you'd like to say that you were that smart, that you planned this all along, I actually think you're smarter this way. You know, I think that you saw, you understood the two-letter .com's value and potential value, and you acquired it, ran it as a parallel brand, and then really dug into what does this mean, and developed a new strategy based on that. And that's really the steps I'd like to take you through in today's conversation.

Frans: Thank you, Tess. I guess if I may, to respond to that, so I think the one thing that we have been doing right, and we being, you know, my business partner, and myself, and our great team is that we're constantly adapting our business model and our business. We don't get stuck in a certain track, and we're also not scared to jump tracks and change directions. And we've done that a couple of times, and in my opinion that's the only way, especially in a bootstraps, and especially at the beginning of a startup you need to have that flexibility. So I'm happy to admit that creating PX as a parallel brand was not the smartest decision at the time and it worked out relatively well, but now we have a much better story and we adapted the story and our strategy based on changes, and input we got, and learned along the way. So it's always a big compliment when people, you know, refer to the changes we made because, yes, that's part of our success.

Andrew: I'm reading a book right now called "Matchmakers, The New Economics of Multi-Sided Platforms," something, something. I think that's the name.

Frans: I thought you started dating.

Andrew: Huh?

Frans: I thought you started dating, "Matchmakers." I mean...

Andrew: No, and really it's a fascinating book. I mean, you know, in the end I guess it's nothing new, right? We've been watching all of the most successful technology companies basically over the last decade, if not two decades, have been these multi-sided platforms. I don't really know how long we've been acknowledging them as that, but, you know, that Uber is a multi-sided platform. They're a technology company. It's created a platform that connects drivers with passengers, you know? You're a technology company that's created a platform that connects somebody who wants a service, or yeah, I guess services, with somebody who sells those services.

And it's really a super fascinating book because, you know, when you start [inaudible 00:10:17] it's like, you know, this can be applied to basically every single element of life, where people have an interaction with any company, a service, or product. But you've got companies like Amazon. You know, they've got such a strong platform that they're just swallowing up every opportunity to leverage that platform in any other industry. And I imagine you guys are and continue to do the same across different verticals, etc.

Frans: Yeah, well, that's it. I mean, I wrote down the title so I'm definitely gonna check out the book, Andrew.

Tess: Oh, I got you beat, I just bought it right now.

Andrew: It's a great book, and the reason I bought it is, you know, I've been contemplating the same thing for us. Like, what's the next, sort of, leg of Media Options? How do we expand beyond our, sort of, personal talent, you know, which we've leveraged very effectively in our domain brokers business? But how do we take that to the next level? How do we become a platform where anybody who's...because I'm watching all these mediocre platforms launch in our space, and I say mediocre because they're focused on names that I don't think I value. I don't know whether the technology is

mediocre. I'm sure the technology is fine. It's probably great. But, you know, I don't think that they're targeting the real market that I see, or the market that we are mining in.

And yeah, the PX story is...obviously I've been watching first hand, the beginning of ReviMedia more or less, right up to now. And yeah, you know, you're hearing this a second time, so make sure you're paying attention. You've inspired me, Frans.

Frans: Oh wow, and this time it's recorded so actually it's on record right now. Wow.

Andrew: It won't stop me from denying it in the future anyways.

Frans: Okay. [crosstalk 00:12:32]

Tess: I'll create a sound bit just of that and send it to you, Frans.

Andrew: You didn't know that in today's world you're allowed to deny anything which are even recorded?

Tess: Maybe he misspoke.

Frans: I think what you said, Andrew, is it's the platform [inaudible 00:12:49], and we call it the evolution. And you know, we see it as the Holy Grail that if you can become a platform and you can create a network effect, in other words, you leverage the things that you've built in the past, you can leverage your publisher network, you can leverage your clients. And if you do that right, and Amazon obviously did it right, and the eBays of this world, and Uber. It's the network effect, and that's exactly the core of our new strategy is that we wanna leverage what we have and add more value to our advertisers, and hopefully accelerate our growth as well.

Andrew: You know who the first big tech platform, multi-sided platform was?

Frans: No.

Andrew: Well, let's say...because I guess Amazon might have been earlier than this, but these guys were the first ones to, sort of, acknowledge what it was they were doing, not just create an online store. Like, Amazon was initially essentially just an online store. It evolved into the platform, eBay the same more or less. But the first multi-sided platform who acknowledged themselves as an open multi-sided platform was OpenTable, the reservation system.

Frans: Okay.

Andrew: Now I didn't realize they started that early but it was, like, mid-'90s.

Tess: Wow. I feel like I should get points for the term because I've been saying I see us as matchmakers for years. So let's get back to ReviMedia and PX. So ReviMedia does not have a "P" or an "X" in it. What made you decide to acquire PX.com?

Frans: Yeah, so, you know, that's a good question. So the first version of our platform was called LXP, Lead Exchange Platform. And we couldn't get the trademark for it because there are some companies that used LXP...sorry, yeah, LXP. And we didn't wanna have to work leads in our core platform name because we also do calls and we also do clicks. And so the name was a little outdated at the time, talking about 2006. And I asked Andrew, like, "Hey, I'm looking for a domain name for our platform and it needs to have an 'X' and it needs to have a 'P.'" So we looked at several names, from NXP...a couple out there. And he said, "Hey, by the way, you know, you probably can't afford it but I also have PX.com." So when Andrew says something like that you know it's gonna cost money.

Tess: He's just goading you into saying yes.

Frans: Yes, exactly. But so PX was the perfect name for us, and the "P" stands for Public, and the "X," it has something...technology sound to it, and the "X" of exchange. So Public Exchange for Leads and Cost made total sense. And I have to admit that, you know, owning such a premium domain, and a two-letter one, we also felt that that's a very good asset and investment for the company to create more value for our investors.

Tess: So it sounds like the timing was right, because ReviMedia you founded in 2010, but in 2016 you were starting to think about having a different name for it, or a different domain for it? [crosstalk 00:16:53]

Frans: Well, yeah, so the strategy we had at the time was to separate our platform as a separate service and I needed a domain for that. And we ended up buying PX.com as our brand and we basically created PX Inc, a separate company for it.

Tess: So it sounds like it was a matter that the timing was right for you and this domain you knew, you know, with the value of a two-letter, that you could work it into a meaning for your new role.

Frans: Exactly. And I have to say it. I mean, I love premium domains, and I love two-letter ones. But it was the single, only two-letter one I would've bought at that time, and any other two-letter name, you know...I didn't buy it because it was a two-letter name, per se. I bought it because it was the perfect brand for our platform. If it would've been, I don't know, WE, or other two-letter names I have seen, you know, over the years, it would not have been a match. I would have need to be very creative to try to match that domain with what we do. So the PX was [crosstalk 00:18:14].

Andrew: I wanna ask you two questions, Frans.



Frans: Yeah?

Andrew: Sorry, I didn't mean to interrupt you. I thought you were done but you [crosstalk 00:18:17].

Frans: No, go ahead.

Andrew: All right, two questions, and I don't know. I'm gonna ask anyways because you kinda rebranded anyway. So some of this I don't know how much of it was public information but I think it's fine. So I know you would've asked me to try and acquire Revi.com at some point.

Frans: Yeah.

Andrew: Which we couldn't get. The guy wouldn't sell it or he wanted a ridiculous price. Did that play a factor in your decision to go after a new brand?

Frans: No, that was second. Because, again, we really wanted to separate our platform from ReviMedia and have a separate name for that. That could not have been Revi, just because it would've been too similar to ReviMedia. We looked into Revi.com at the time. I always regret...when we started the company we started as a media company, like a publisher company. And I always regretted the word media in our name because it's not what we do anymore today, you know? The word media puts us in a different category potentially. It's not a biggie. At the end, a name is a name. But I would've liked to acquire Revi.com.

But as a general rule I have that it needs to make sense. And first of all, if you wanna have a premium domain, perfect, good investment. But it needs to make sense for your business and for the purpose, you know, besides purely investments. And then also the amount needs to be justifiable from a business point of view. And this guy, you know, he can ask what he wants to

ask, you know? But it didn't make any sense, and it was a nice-to-have. But for PX.com, it was a different story.

Andrew: Yeah, so that brings me to the second question. You were saying before, you know, you're sort of trying to justify, what does the PX mean? So part of my argument for why these two-letter .coms particularly are so valuable, I almost think that it doesn't need to mean anything. The PX stands on its own two feet, pun intended. You know, I think it's shorter than a brand. It's shorter than a name. It just instills trust. I don't know, I've always been an advocate for PX.com. I think we at Media Options have probably sold more two-letter .coms than anybody in the world. I think that's probably a true statement.

And I see the same story over, and over, and over again. The people that get it can get it, you know? And I have yet to see somebody who took the step, bought a two-letter .com, and then regretted it later. It hasn't happened to me yet. So I mean, would you agree with that, that PX.com doesn't necessarily need to mean anything? It could mean publishing, it could mean publisher, it could mean public, it could mean whatever. At the end of the day you're PX.

Frans: Yeah. No, so to your point, PX didn't make a lot of sense to us purely because the abbreviation the letters "P" and the letter "X." But to your point, a two-letter name can mean anything, and it's short, it's memorable. Most it already has, you know, quite some type-in traffic in general. It's easier to build links. It just has a lot of value, and I think the most important one is that it increases your credibility, you know, if you go to a big advertiser. And we're working with a big advertiser right now with verticals. You know, if you say you're PX.com it puts you in a different league potentially. At least it's better than, you know, LeadsHighFromGeneration.info. We've all [crosstalk 00:22:37].

Andrew: Well, [crosstalk 00:22:38] ReviMedia. ReviMedia, if a person doesn't know who ReviMedia is, you're calling up, you're ReviMedia. You're like every other media schmuck that calls them that they don't know. If

you're PX.com, you're immediately somebody. It's just you're immediately somebody. There's an inherent level of trust, and trust is the currency of the internet. People say traffic is the currency of the internet but you don't get traffic without trust. When people come to Google and they see their 10 options they click on the one that they trust.

Frans: Yeah, so it's public information we paid \$1 million for it, right? And I'm sure Tess was going to ask that anyway so I'll just throw it out there. And people ask me, like, "How can you justify such an investment?" And all that trust, that trust factor and all the other advantages you just mentioned, is that quantifiable? It's difficult. It is difficult, but we have some examples and I'm still collecting data. And I don't feel the need to justify that investment at all but it is nice to collect data on better conversion, better clickthrough rate on your websites, increased average page views on your website. I'm sure there are data points which we can start comparing with what we had on ReviMedia.com.

Andrew: Yeah, that's super interesting. You know, I don't know if you wanna share it later but when you've accumulated some of that data I would love to see it.

Frans: Yeah, for sure. And I do believe that the actual tangible impact we had, which was that people in the industry, they know that we own PX.com. And you know, it's like, "Oh, wow, that's a great name," and that's always the first reaction, it puts you on a little pedestal and I guess it's a little ego booster there as well.

Andrew: Don't discount that, that matters, right? So a couple more questions that I had, sort of, jotted down here specific to PX. So one thing that I've heard with not just two-letter .coms but just really great names in general, names which resonate with people, is that it makes hiring easier, and if you're a tech business the hardest thing to do is hiring. Tell me if I'm wrong, but tell me if you've seen that. Does having PX.com, does that instill a sense

of trust, longevity, or for whatever reason that you think it has an impact on hiring?

Frans: I don't know yet, to be honest. I guess it does, and again, all the advantages. It's more memorable, it makes a statement.

Andrew: But your employees have that as their email address, right? So it's like, you know, there's a little ego thing there. It's like, "Yeah, I'm Tess@PX.com."

Frans: So I have a funny fact about that actually. So [inaudible 00:25:49], my business partner, and myself, you know, we immediately created the email addresses "F," my first letter, "@PX.com," and "B@PX.com," you know, just to make it as short as possible. Actually one of the shortest email addresses you can have, which are the one-letter ones, and I guess, .co, you know? But there was an internal fight because obviously we have, you know, several names starting with an "A:" Alexi, Alexi, Andre, Alexander, you know? Everybody wanted to have A@PX.com. So actually it became a bit of a tense situation so we decided no first letters only. So I changed my email address to Frans@PX.com, which is, you know, still cool.

Tess: Even for the CEOs that's quite the leadership, Frans.

Andrew: Lead by example.

Tess: And now everyone listening knows how to contact you.

Frans: There you go. They can.

Tess: So what were the challenges of building your brand on PX.com, especially with that shift from ReviMedia?

Frans: Actually that's a great question, Tess, because that was the point I wanted to make and I prepared a little bit for this interview. I don't wanna

make it come across like, "Buy a two-letter name and that's it, and all the work is done." So it was very challenging to get the trademark. It was very important for us, and, you know, when you have a two-letter one it's very generic. So the trademark risk is not that high because it's hard to claim a two-letter trademark in general. If you don't have a trademark it's also not easy for the other party to actually accuse you from infringing their trademark.

Tess: Frans, is your trademark on PX, or PX.com, or both?

Frans: Both.

Tess: Oh, okay.

Frans: Yeah. So we have the text mark, the word mark PX, and we have the design mark PX.com. But it was hard because there were, like, 20, maybe 30 existing PX trademarks out there, so I have separate agreements with three or four of them to allow them our brand next to theirs. And obviously there was not a similar company owning the trademark PX, so they were all different businesses in different industries, so it was not that hard but it took time. It took almost two years.

Tess: Wow, that's impressive. Now I'm sorry, I didn't understand you. I don't have a lot of familiarity with trademarks. What did you mean, "Our brand next to theirs?" Like, just both of them existing, or do you mean something else?

Frans: Yeah, so there were, you know, let's say 20 companies. They already filed and registered the trademark PX. There's an oil company in Canada that, you know, filed PX for whatever purpose, I don't remember.

Andrew: Petroleum.

Frans: And when...sorry?

Andrew: Petroleum.

Frans: Yeah, it's a technology company, so they're in drilling, and gas, and I don't know what.

Tess: Okay, so you're just saying that they agreed that you could have your trademark and they would have yours and you wouldn't infringe on each other?

Frans: Yeah. So when you file your trademark you get opposition, or, you know, the trademark authority says, "Sorry, we cannot grant you this application because of conflictive existing trademarks." And then it's up to you to work out, you know, possible agreements with those existing trademarks. When you have that in place you can refile and hopefully the authorities say, "Okay, now you're fine and good to go."

Tess: Wow, so two years of work? So that's basically what you've been doing since you acquired it?

Frans: Yeah, and other challenge of course, like one of the things which stopped us from rebranding earlier was all the brand equity we've built on ReviMedia. And, you know, I think I made it bigger in my head than it really was, but, you know, it's my little baby. So I just assumed that if we changed the name of our baby then no one is going to know the new name, and everybody's gonna be like, "What? What happened with ReviMedia?" And I think it was more fear than anything else. But the brand equity, like, you know, and I'm referring to authority of the website SEO, link building, social media profile, you know? All that stuff you do as a company to build up your presence online, that's basically gone.

And, you know, part of it we can redirect, and part of it we can do some cross-promotions to move some of the brand equity to PX. But basically with PX we have to start from point zero, and in those last two years we

have been doing so. And again, we have been postponing the rebranding for over a half year, but two weeks ago we were like, "Yeah, this is it. We're gonna do it."

Tess: So I feel like most companies would have that same view that the brand equity, I mean, you built that for a reason. And yet, to a certain degree that brand equity can mean that you're established enough that you're capable of rebranding. But most companies, and especially if you're trying to sell it to me through talking with the marketing folks, they're gonna say, "Hey, we've already built this brand into what it is." What could you quantify, or qualify, or how...because brand equity is difficult to do that with, what made you feel sure that you could, and what made you feel like maybe it wasn't a good idea in terms of numbers or data?

Frans: Okay, so it's a little bit of a glass half full and glass half empty discussion here.

Tess: It is.

Frans: So there are always reasons not to do things.

Andrew: A lot.

Frans: And so, you know, a lot, and it's very easy to come up with those reasons. But if you look at it from a glass half full approach and angle, and you say, "Hey, it's a great opportunity to reconnect with your existing partners and clients," like, "Hey, we have a new brand, a new proposition. Here it is out." It's also refreshing, right? And the feedback of our clients was actually overwhelming. We send nice gifts to our clients with the new brand, and we sent cornholes, and we sent plants, and I don't know what. So you know, we made it exciting, and that is a new marketing opportunity, like a refreshing marketing approach, and a chance to revive your brand so that's the way we approached it.

And ReviMedia is still around, and I think that's also something I think we should not forget is that ReviMedia is still around, but purely as an affiliate network. And I think that, I guess, that also makes it easier that if people now go to ReviMedia, and our ReviMedia team is still around partly, we can still use part of that brand equity. We're two separate companies, but at the end, the same mother, and there's still a tight relation between the two.

Andrew: And I think, you know, the way that I approach these types of things is, you know, as long as you're making forward progress it's a net positive, right? Because like you said, there's a million reasons to not do things in everything in life and business. And so as long as you're making forward progress, as long as what you're doing is growth, and progress, you're leveling up...that's what I was looking for, leveling up. As long as you're leveling up, then, you know, it's always gonna be a net positive.

Frans: Yeah, I agree. Change is movement, and movement is progression.

Andrew: It's necessary. If you don't change, you're not changing you're dying.

Frans: Yeah.

Tess: And I just think, Frans, the most visionary thing that I'm hearing is that you didn't have some giant crisis. You have really the maturity in your business sense that you were able to do this proactively to just continue that steady elevation. Is ReviMedia your first business venture?

Frans: No, sorry, I had a company before called Emexus. It was one of the first mobile content companies out there. It started in 1999. Great, great ride as well, and, you know, we sold a lot of ringtones, and horoscopes, and jokes. And we also built a great platform, and that we ended up selling it in 2006. And so that comes from other stuff that...yeah.



Tess: Yeah, you have tremendous experience. I would like to see you develop a ringtone of Drew saying, "You inspire me."

Frans: Oh yeah, that's actually not a bad idea. I would put it on.

Tess: All right, let me know. I know you sold the company but figure it out.

Andrew: So this is what I wanna know, right, coming into this interview, ReviMedia essentially has rebranded to PX.com, the company is centering around your platform, PX. We're here to discuss domains. You know, we're here to talk about entrepreneurialism, we're here to talk about, you know, digital media, and how commerce works, but what is the enterprise value of that asset? What is the resulting enterprise value of PX.com to your organization? And I know you don't have a specific number but what I wanna do is just sort of work around how do you establish what that value is, and see if we can't just, you know, sort of, fall on a number?

Tess: Well, I don't know, just to jump back a minute first, I feel like before you put the whole enterprise value, I'm wondering, you know, just the advantage that you had. You're saying PX gives you that additional credibility. It's that ego boost, which really is something. I feel like we need a different word for that. It's positioning you as a leader. Can you put a...

Andrew: Well, [inaudible 00:37:25]. When you go out and you buy a premium domain name, whether it's a two-letter .com, or a one-word .com, when you go out and you buy a premium domain name that represents the best version of your brand, and you go out to market with it, it sends a signal. It sends a very strong signal to your audience, to your consumers, to your vendors, to your partners, to your bank. It sends a signal to everybody, your investors. It sends a signal that, "We are growing." It sends a signal that, "We are strong," that we are here for the long run, you know? It's a signal. It's a signal in the market.

Frans: I don't wanna...how do I put this? Because this is a...

Andrew: Over-emphasize?

Frans: Well, yeah. So this is obviously, you know, a forum for domainers and it's about domain value, and I completely agree with the value of premium domains. But I do wanna state that it should not be overvalued in the sense that there was always, like, a context versus content discussion, like content is king. This is a little bit the same. You have a domain name. It's a great asset, but at the end it's what you do with it, you know?

Andrew: You can only compare things with all those variables which you can't control being equal, right?

Frans: What do you mean by that?

Andrew: So I mean, like...this isn't a really great analogy because the companies, sort of, have veered off to be different things, but if you say you've got PX.com, you've got ReviMedia.com, and let's just say that they were doing the exact same thing. All other things being equal, PX.com sends a stronger signal to the market.

Frans: [crosstalk 00:39:26]

Andrew: Right? You've got the same content, you've done the same link building. You've got the same team, you've built a great platform on both, you know? All other variables, all other factors being equal, can we compare, you know, the domain of this company versus the domain of this company? It's like looking into Google and you've got the top three results, let's say your top three organic results. And you know, if you're in a competitive vertical all three of those companies have worked hard to get there. You've all produced great content, they must have great teams, they must be doing great link building.

They must be, you know, consistently publishing. Those things have to be equal, right, because those things aren't being done. Those are the minimum viable factors, so if those things aren't being done, then you're not gonna get there in the first place. But once you're there then let's compare number one, number two, and number three, and say, "Well, what makes this one just slightly better than that one?"

Frans: Yeah, and I...

Tess: So can you put a value on having PX.com now that you've relaunched instead of PlatformExchange.com, or GoGoRevi.com? Do you think you can put a value on that?

Frans: Yeah, so, I mean, we're obviously biased here in this goal, and also all the viewers were probably somewhat biased.

Andrew: But hold on, what is bias, right? So I'm biased. Obviously I'm a broker. I have a continued interest in, you know...

Tess: Yeah, we're educated, which...

Andrew: [crosstalk 00:41:05] value of the domain. But you, that's not your business, right? So you're not necessarily biased. You put your money where your mouth is. You believe in the value and so you literally put up \$1 million to buy the domain. So I wouldn't say biased. I would say, like...

Frans: The bias in the sense that, you know, you taught me a lot about domain investment and I've been hopping around since we met each other. And so I was obviously aware of the incremental value of the two-letter domain purely as a domain investor, you know? But you're right. So I put the money where my mouth is. So if we would compare apples to apples, exactly the same business with exactly the same marketing, lean building, all that on ReviMedia versus PX.com, I can state that, you know, PX.com will

be perceived as higher value and will have more impact just because of the new name. I can confirm that.

But having said that, I don't have data for that. It's very hard. I'm gonna collect some data, and once I have it I'll share with you. Because we do have it from our landing pages. So for example, we have BestQuotes.com and we also have, and I'm just making this up, but we also have Best-Insurance-Quotes.info. We do have numbers that BestQuotes.com converts better than the other domain, but again, it's very hard because you need to be able to compare apples to apples, and that's not easy. But I'm gonna see if I can collect some data which I can share with you in a later stage. I think that will be really valuable.

Tess: That will be really fascinating. Okay.

Frans: Yeah. I always [crosstalk 00:43:02]. Can I say something, you know, about...so I think we all agree that a two-letter domain has great value, and for all of the advantages we mentioned earlier in this call. But having said that, I always give the example of Apple, Amazon, you know? Amazon is called by a river in Brazil, for God's sake. I mean, there was some kind of idea behind it.

Andrew: Hold on, what does [crosstalk 00:43:31]?

Frans: Huh?

Andrew: Yeah, but that's irrelevant. The point is it doesn't have to be an exact match to what your business does. These are two different factors. That has to be a brand that resonates with your audience. All it has to do is resonate. People have to hear it and they have to think, "Oh, of course I know that company." Everybody knows Amazon, everybody knows Apple. Even before these companies existed the word resonated with people. It was familiar, that's the key.

Frans: I understand, but my point I wanna make is that at the end it's about the context and the brand they created around such a name which gives the...and yes, I agree. Amazon, if you would've told me, and when did Amazon start, in 1990 something?

Andrew: '96, '97.

Frans: Yeah, so when you would've told me, "Hey, Amazon," I would've thought about a river in Brazil. I would not have thought about an e-commerce platform and the giant company it became. And Apple, too, it helped them to grow the company, but at the end it's also about the context and the business you create around it. That's my point.

Andrew: If Bezos had called his company JeffsBooks.com, they would not be the company they are today, right?

Frans: That's a bold statement and I think I agree, but it's hard to quantify.

Andrew: It is. It's very hard to quantify, and this is the reason I'm pushing you and emphasizing this specific point, because this is the missing link in domains. This is why when I call up a CEO, a CMO, a CTO and I'm trying to explain to them why they need to buy this domain, it's not like, "Oh, this would be nice for you to have. You need this name." The BestVersion.com of their company's brand, or product, or a service that's foundational to their company, you know, this is the missing link. It's trying to explain why this domain is fundamentally better than another. And it is, it's hard to quantify. There's very little data, very few little ways to collect data, because like you said earlier, it's gotta be apples to apples. How do you compare apples to apples?

Frans: But a question for you, so another angle to look at it. So what if Amazon did a crappy job and were not able to make those deals with the wholesalers of books, they were not able to get visitors to their site? Then Amazon.com would be a great name with a mediocre business most likely.

Andrew: But there's a lot of those, right? So my point is not that the domain name makes you [crosstalk 00:46:27].

Tess: And they could be acquired or they can be divested, right? I mean, they can divest the domain or they can be acquired by someone with a better vision, whereas if you have a crappy business model or a mediocre business model and a mediocre domain, [crosstalk 00:46:44].

Frans: Yeah, okay. Then you have nothing.

Andrew: Actually Tess makes a really good point because this is actually something that I emphasize when I'm talking to a startup. When I'm talking to a startup who is launching a company and they're on the fence. They're, "I don't know if it's responsible, or I don't know if I can afford to spend that kind of money." And, you know, we're usually talking about something between 150 grand and 350 grand, that ballpark for a really bang-on, you know, one-word .com, what I say to them is, "Look, you come to me and you're looking to raise capital for your company. And you come to me and you're .io, you're .whatever, .something, you're, get this, try this, download," you know, whatever prefix or suffix you put on your name, okay? It doesn't add anything to the balance sheet. That is an absolutely worthless asset.

Now you come to me and you say, "I am UsedCars.com," or, "I'm Purple.com. I'm Orange.com." That puts a back stop on my investment. So what Tess was saying is, you know, even if you put a crappy company on a great brand, if I'm an investor in that brand and if I'm an investor in that company my investment is never gonna go to zero, okay? [inaudible 00:48:03] that doesn't necessarily make you feel good if I invest millions of dollars into a company that says they're gonna be the next unicorn and now all that's left of the company is their domain name, I'm still not getting my investment back. But the point is that it strengthens your balance sheet. It strengthens your company that you are adding an asset to your company that will continue to grow in value. Your domain name, when you bought it,

Frans, that domain is worth about 20%, 30% more at the wholesale level than when you bought it 2 years ago.

Tess: Okay, so I have a different way to ask this question because we do wanna hear some kind of enterprise value that you can put on this. So what about this, you invested \$1 million in the domain. How much do you think you've invested so far? You've sent all your clients gifts, you rebranded, you obviously had some, you know, the trademark costs over two years, the costs of building the website, moving things over onto that platform. How much have you invested and how much would you think you've seen of ROI so far on that investment?

Frans: Wow, guys, I was not prepared for this question. I can say something. You know, the trademark cost, the rebranding cost, the website development, and some other stuff, I mean, it's not the end of the world. It's a significant investment. I would say \$250,000 to \$300,000 purely for rebranding, you know, the marketing around it, the presents for the clients, and lawyer costs.

Tess: Okay, so included with acquiring the domain, maybe \$1.3 million?

Frans: I guess that that's, you know...and then some opportunity cost, and all the time we spent on discussing this, and I wouldn't be able to put a number on it. But I think it's, you know, let's say \$1.3 million in total. Yes.

Tess: Okay, and when do you think you'll see your ROI on that? If you had to sell your company today, do you think you'd get \$1.3 million more for it? Do you think you'll have that \$1.3 million more in business, that you've already gained that much in business? Just for our audience, too, like, what is your business's annual gross income? What kind of figures are we talking about here?

Frans: So just let me know when I have to take off my clothes as well and then we're fully transparent here. Okay, let's do one at a time. Maybe throw a lot of questions packaged into one.

Tess: Can I put in the headline, "Frans Offers to Take Off His Clothes?" Do you think that will get more visitors?

Frans: No, I didn't offer it. I said, "When are you gonna ask me?" So better can be, like, "Tess Asked, you know, Frans to Take Off His Clothes." That would've been more accurate. But no, okay, so one at a time. So PX domain is on our balance sheet obviously, and it is one of the assets we have. And yes, we invested, let's say, \$1.3 million in total to rebrand and to move the business to PX.com. But I don't approaching it this way. We're not in the States. We're not a startup like we discussed in the previous section, so I don't approach this anymore as a back stopper on my investment. Or if we go bust then at least we have a domain which we hopefully can sell for the same amount or a little bit more. This is an integrated part of my business, and that's why I'm referring to the context around the business we're building. Just to give you an idea, we invested millions, millions, over 150,000 man hours in our platform.

Andrew: One hundred fifty thousand man hours?

Frans: Yes, 150,000, and we did the whole analysis. So it's a huge platform. It's really a big platform. We have millions of lines of codes.

Tess: What did you say? Millions of lines, what'd you say?

Andrew: Of code.

Tess: Of code, okay.

Frans: Of code, yeah. So that is my real investment, guys. That is significantly higher than the name we put on it. And the one doesn't go



without the other, you know? So we established in this goal that that platform with a name that doesn't make any sense probably won't be as successful as a platform that's called PX.com, okay? So when you asked me about the enterprise value I couldn't honestly answer that question. Does PX have, you know, significant impact, or is it going to have a significant impact? I'm confident it will, but at the end it's a good name, but at the end it's about the business results. At the end it's about growing your revenue and making profits. And so it's just hard, and PX is just one of the parts, you know? If we don't do our marketing right, or if we developed a crappy platform...

Andrew: But again, Frans, those are all minimum viable products for a successful business, period, okay? You need to do your marketing right. You need to have a good team. You need to build the right technology. You know, these are all the minimum viable products. You will never have a competitor unless they do the same. That's a must. Those things are just, like, that's a given. They have to be a given otherwise you're not gonna be successful. So the question is, how much more successful? Is your conversion rate higher? And I know you don't have the answer to these questions so I'm asking them rhetorically.

But what I always say is you cannot build a skyscraper on a bed of sand, okay? If you wanna build a skyscraper you need a solid bedrock foundation, and PX.com is bedrock, right? If you were Revi's Lead Exchange, you know, I don't know. I, of course, who am very biased, can say that I think you would have zero chance to be where you are today to even be able to afford to put 150,000 man hours into building this platform if you were Revi's Lead Exchange. And I'm not saying PX.com is the only name you could've built this company on, but I think a name like that puts you on bedrock, and you can build on bedrock as high as you wanna go. That's the point.

Frans: And I agree, and that's the whole reason why we invested in this domain, and that's why we invested what we invested. So I think we

established that. So to put in enterprise value, let's put it this way. If a big Chinese investor, and the way I get daily emails, you know, like, "Is PX for sale, PX.com?" If a big company would call and say, "Hey, we'll pay you \$4 million or \$5 million," I wouldn't do it just because it's such an integrated part of our business.

Andrew: So that is actually the best answer you can give to this question, and this is what I believe, right? If you're not a buyer, you're a seller. If you're not a seller, you're a buyer. And it doesn't mean you need to go out and buy, but it means that you're long, okay? You're either long or you're short. And so if somebody comes in with a \$5 million offer and says, "Frans, I wanna buy PX.com. I'll give you \$5 million." You're gonna say, "No," so we know that the enterprise value is greater than \$5 million, right?

Frans: It's because it's such an integrated part of our strategy, and because we're in it for the longer run and to build, you know, a huge company on this, and to really grow this. And it's not about the value of the domain itself. At the end it's about the business, and the domain is a very integrated part of that business.

Tess: And the value of the advantage of that domain over another one gives you. Yeah, that's a fantastic answer, thank you. And you know, Frans, you are very number-driven. Do you think you ever would've made this acquisition?

Andrew: You have no idea. You should see the spreadsheets he has. I can't even make sense of them.

Frans: Actually to be honest, I mean, I would love to take the credit. I'm not that of a number person, and my business partner is the real number person, so otherwise I probably would not have been here without his number skills and analytical skills. But then on a side note, I remember sending you some Excel sheets, Andrew, and I remember I really impressed you, so that was one of my highlights.

Tess: And you know, I've talked with [inaudible 00:57:40] a lot over the years, not since I left GoDaddy, but I've talked with him many, many times, and he has. So we have, you know, one numbers person here, and an even more numbers person, or, you know, the two of you run this business. And yet we sat here and kind of beat a dead horse trying to get a number out of you and really struggled. So that's kind of, like, two...and that's the real struggle for us in helping people to understand domain name values is that often times they can't be so quantifiable. So what do you think, not only you but your business partner, what made you not being able to have any numbers, be willing not only to acquire this domain but to invest all this time and energy to rebrand to it, since you don't have a number? Do you think it's only because you knew Drew and learned about domain name value year, after year, after year?

Frans: No, so, I mean, that's a good question. And I completely understand the challenges of potential buyers of domain names to, in your shoes, to actually show them the potential value or what could be the value. And I struggle with that as well, and I guess every domain investor listening to this can relate to that because the market goes up, the markets go down, you can look at the exact match keyword and see how many visitors or searches it has in Google and, you know, this is the couple data points we have to quantify an amount for a domain, and for the two-letter domain we basically took all the historical public sales of two-letter domains, you know, from FB.com of \$8 million if I remember correctly.

Andrew: \$8.5 million, I think.

Frans: Sorry, again?

Andrew: I think it was \$8.5 million.

Frans: Yeah, \$8.5 million. And so we looked at the public sales and we tried to make sense out of it. We looked at, you know, big companies, GE, HP.

Andrew: FB.com is not the biggest two-letter .com sale, by the way.

Frans: Sorry, again?

Andrew: It's not the biggest two-letter .com sale, by the way.

Frans: No.

Andrew: I'm not gonna tell you what it is.

Frans: No...yeah. Anyway, so we tried to make sense but at the end it was a business decision like, okay, we need a strong brand for our platform. We really believe in this. We invested big time in our platform and we need a killer name. And the name was such a good match that at the end it was not only about money. And I see the challenge for you guys to convince a CEO or a business owner to invest in a domain you need to have some data points, and you know, I invite any business owner to look at it the same way we did, you know? What's its value to you? And it needs to make sense. If Andrew would've asked \$5 million for the domain I would've said, "Well, sit on the roof, and not gonna do it," because that would be too much.

But it made sense. And it was higher, it was higher than what we were willing to pay, but at the same time, the downside is not that big. They always keep their value. It's a valuable asset, so that's how we approached it. I don't know if that answered the question.

Andrew: Well, actually I think it does. I think what you said with, you know, coming back to if somebody offered you \$5 million today you would say no, and that speaks to the enterprise value. You said, you know, "What is the value to you as an entrepreneur, as a business owner, as an investor, what is the value of this domain name to you, to your business?" And I think a great approach to figuring out what is the value of the domain to you as a business owner, as a founder, as an investor is to ask the question that you asked

yourself. If somebody came along, okay, if your company...we just sold Bungalow.com to a startup that's doing co-living stuff. And I'm not gonna talk about the price, we signed an NDA, but it was a lot of back and forth. "Oh, but we can't afford it." And they subsequently raised \$60 million or something, so yeah, they can't afford it, like, two weeks later.

But the point is if you ask yourself, if you did own it, okay? If I'm sitting there negotiating Bungalow.com and say...well, if you already own Bungalow.com and I came along and I said, "Look, I don't wanna sell you Bungalow.com. I've got a buyer that wants to buy Bungalow.com from you and you're at the exact stage as you are right now in your company, what would you sell it for?" And if it's a lot more than the price I'm asking you to buy the domain for then it's worth it. It's worth it for your business. It doesn't mean what the value of the domain is but it means it's the value of the domain to your business.

Frans: Yeah, and I have another angle to take on this one because I have some people in my network and I tried to help them with finding a good name, or I knew that they were looking for a new company name, or whatever it was, or for a startup. And the point I wanna make is that it's also depending on your ambition. So I'm an ambitious person. I'm a perfectionist and I aim for the best of the best, and that's not always possible but I'm aiming for that. And you take your business seriously and you really wanna become the biggest in whatever you're doing or wanna do, a good name, a good brand is part of it. And sure, you can probably be as successful or maybe a little bit less successful with a lesser name, but to your point earlier, that's probably not gonna add any value to a balance sheet.

So if our goal is to have an exit in the future and to build up value as a company as a whole, then it's not only about making revenue and profit, it's also about creating value either in platform development, in creating a great brand, in having a killer domain. So my point is that it also depends on the ambition level of the potential buyer, and it also depends on the, you know, longer term plans they have for either an exit or whatever it is, or keep it for

the children for the rest of their lives, you know? So there's a lot of variables taking into account here.

But I'm always surprised and I have some examples, I cannot mention any names, but a couple of weeks ago I had a guy, he's very successful at what he does. He did well for himself, and he has a bullshit domain name. And I told him, like, "For \$10,000, \$15,000, maybe \$20,000 max you can buy a .com, or the [inaudible 01:05:33] .come. It's for sale." And like, "Yeah, I don't need it. I'm fine." And it's like, "The domain name is not that important to me." And I'm like, "I don't understand. I really don't." But, you know, he has done well for himself, so so be it. I mean, who am I to judge that? But I am surprised with the \$10,000, or \$20,000, whatever it is, relatively limited investment, that people are hesitant to do so.

Andrew: But, you know, it's what you were saying. You're always striving for the best. You don't wanna put a ceiling on your growth because having an inferior domain name, it boxes you in. It puts a limit to how big you can become.

Frans: Or a possible limit, you know? [inaudible 01:06:29], yeah.

Andrew: I came up with an analogy the other day. Chris Zucker, our broker, emailed me, forwarded me an email. He was marketing a domain name and this was really a perfect buyer for the domain name and they didn't even ask the price. Chris didn't even give them a price. He just said, "Hey, you know, we're marketing the domain." That's not exactly what he wrote, but, you know, "Are you interested in discussing it?" He didn't mention the price. They didn't even ask for the price, they just said, "No, we're not interested." And I'm telling you, this is a big company, and it's literally the bang-on domain name for their company. It's like, how do you not already own this? And they just said, "No, not interested." They didn't even ask about the price.

The price could've been cheap. What if the price was 5 grand, you know? And it wasn't, but they didn't even ask. And he said, "Look, I don't even know what to respond to that." And I thought about it and I came up with what I think is an interesting analogy. I wanna refine it, and talking about it helps me refine that. But the message is that a domain name is like a pogo stick, okay? So if you are standing in place and you jump in the air and you come down, the force of your mass, your body, is limited to your body weight, okay?

But if you get on a pogo stick you're focusing all of your force onto the very tip of the pogo stick. So all of your mass is being focused into one single point, and now the force of your mass is not your body weight. It's exponential, okay? It's actually, I think, it's like the force of one foot of an elephant. The average male on a pogo stick, when you come down on that pogo stick I think the force measured at the end of the pogo stick is the equivalent of when an elephant stomps with one foot, and it has an amplifying effect, okay? And a domain name is your singular point, your singular touch point.

The same way the end of that pogo stick is the singular touch point of your mass with the concrete, your domain name is the singular touch point with your consumer, with your customer, with your audience, with whoever it is you're trying to target. It's the single touch point that allows you to amplify your brand, your mass, your company, your message, your brand, your product. Whatever it is that you are trying to project, you can amplify it through focusing all of your energy and your resources through a single touch point with your audience. And I think that's true. I think that that resonates true, focusing your energy and your resources through a singular touch point that you control, not a third party social media network, not a third party publishing network, or whatever. You're communicating your message through a single point. And with that, you amplify the effect. Yeah. Is that kinda true?

Frans: Yeah, a good point. Again, I mean, I agree, but, you know, still about the context, and how you get to the point. It's not only about the name itself, but I completely agree. I think it's a matter of educating as well, and you know...

Andrew: That's what we're here for on "DomainSherpa."

Frans: Yeah, exactly. So if you can show a CEO, or a business owner, like, you know, "This could be the impact. You're missing so many typings. If you had the .net, you know, how many visitors do you have today? Probably 10% are going to .com instead of to your site. How much value..."

Andrew: In most cases more like 20%.

Frans: Okay, 20%. How much value? What's your average revenue per visitor, or per conversion, and try to put a number on it. It's obviously different with each business but it's a matter of education. But you guys have been doing well, right, with selling domain names?

Andrew: Yeah, we're doing great. You know, the world is waking up. In a world where you've got all these privacy concerns with Facebook and social media, and you've got Twitter and Instagram shutting down people's businesses at will, and you've got no say and no control over that, no insight into why, people are waking up to the fact that you need to control your brand. You need to control your messaging. You need to control that point of contact with your audience, your consumer, whatever. And, you know, so slowly but surely it's a windy road, right?

I mean, I'm always pushing in one direction that this is why you need the domain, and then suddenly something happens in the business world, and political world, and economic world that shifts people's focus. And then it's suddenly like, "Oh, well, here's another reason." I've been doing this now a long time and it's like every year, every two years it's like some new reason pops up of why a premium domain name is great, right? So it changes.



Tess: Yeah, we're coming to the end here of today's show, and I think I really appreciate, Frans, you letting us work until we could excavate some type of numbers out of you. And I'm really, really interested to hopefully have you back on the show when you have more data points. But my last question for you is, what's Panama like without Drew Rosener?

Frans: Paradise. No, I mean, it's quiet. It's very quiet, you know? But I'm struggling through each day and crying myself to sleep, but yeah, I miss Andrew a lot but I'm sure I'm gonna see him somewhere on this planet and we'll keep in touch, of course, like today. [inaudible 01:13:21] we're all traveling a lot. But yeah, Panama changed a little bit. That's why I moved into his house, you know? At least to stay close to the memory of Andrew.

Andrew: [inaudible 01:13:35] that memory apart.

Tess: Well, thank you so much for all your time today, Frans. This was really, really interesting, and informative, and fun.

Frans: Perfect, yeah, [crosstalk 01:13:47].

Andrew: Do you have anything you wanna communicate to the audience? Any ask or message you wanna...

Frans: Are you asking me?

Andrew: Yeah. I mean, so for example, a lot of our audience is not just domain investors but we've got a lot of affiliate marketers and publishers who listen to "DomainSherpa."

Frans: So this is the area where I can do some self-promotion?

Andrew: Yes, absolutely.

Tess: It is.

Andrew: Shameless self-promotion now.

Frans: Okay, well, so for anyone that listens and viewing this interview, if you are a publisher and you're in affiliate marketing, you're buying traffic and promoting third-party offers, you're welcome to join us. We're mainly looking for API publishers selling leads, so actually publishers that have their own websites collecting data. And we can help you with monetizing those leads and data as the best. Mainly mortgage, insurance, and home services, but we also have other verticals, and so feel free to reach out. And the same pitch for the advertiser's side, if you're a lead buyer, you know, specifically in the U.S. then we welcome you to join PX.

Tess: And then just go to PX.com to learn more?

Frans: Correct. And my email address, feel free to reach out with any questions. I already mentioned it earlier but my email is Frans@PX.com. If you misspell PX.com after this interview don't bother sending an email.

Andrew: Okay, [inaudible 01:15:43] more "Sherpa" episodes.

Frans: Okay, guys, thank you so much.

Tess: Oh, thanks for coming, [crosstalk 01:15:52]. What a treat.

Frans: It was awesome. Bye.

Tess: Thank you to the Sherpa Network. See you all next time. Bye.