

Today, the Titan of entrepreneurship, Matt Barrie, joins us once again while we're focusing on his acquisition of freelancer.com and his strategy surrounding that. We also discuss how to build a moat around your business, macro trends, how to follow them and why and to the best marketing dollars Matt ever spent. Enjoy the show!

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Hey, Sherpa Network. I'm Tess Diaz, executive producer of domainsherpa.com and today we have a brilliant entrepreneur and experienced executive in a much larger space in the domain space who has come and join us as CEO of escrow.com Hello Matt Barrie. How are you today? Delighted to have you joining us from Sydney and Andrew Rosener, CEO of media options.com. Hello? Hello. Hi Matt. I'm doing great. I think we couldn't have picked the three people in more distinct locations. We've got US west coast, Europe and East Coast Australia. Correct. So we made it happen. The Sun is rising here in Phoenix. I see it's setting in Sydney. Beautiful background Matt. And you're in the Escrow and Freelancer shared office space in Sydney, is that correct?

Correct. This is the headquarters for the Freelancer Limited Group.

Very nice. So, um, you started out as CEO of Freelancer before acquiring Escrow, is that correct?

That's right. I mean the Freelancer Group has actually acquired 23 companies, um, 50, 50 other. Actually direct competitors of Freelancer. Uh, ironically I purchased a lot of those businesses actually through Escrow.com before I even owned it. And then, uh, end of 2015 we acquired Escrow.com.

How did Escrow come to be on your radar to acquire?

Well, I use the website and I liked it. And, uh, I was looking at into the payments industry for a variety of reasons. And, um, I just have a habit of when I use the website, I like asking if I'd like to sell it to me and you never knows what'll happen. And then this guy, somebody, I thought it was actually a large financial institution. I mean I had two point something billion dollars with a payment volume at that point in time. I'm clicking over on the, on the, on the home page and I thought it was just some sort of silicon valley bank or, or you know, institution of some sort. And, um, I was actually remarkably surprised when they said, actually it is for sale, if you're

interested in and look at the deck, um, we can send it to you. And so, um, I looked at it and I thought, wow, this is phenomenal. Then I bought the business.

Wow. Do you think your, um, assumption that it was a large financial institution, was it all connected to the domain name Escrow.com?

Well, certainly. I think that's where the, I mean, the, the amazing thing was, and this has been running for 20 years before you acquired. I mean, it was started by almost 20 years and started by fidelity, uh, in 1999. And, um, Softbank, uh, and others put in, I think that 40 million US dollars into it, uh, back then. And obviously it was very, very early days on the Internet. Um, uh, in terms of the how to buy and sell things, um, it was a great idea, but it was just, you know, back when the to had 50 million people on it and, um, you know, it was stuck inside a large corporate for many, many, many, many years. And, um, you know, I think that the, the fact that it looked like a financial institution is probably the reason why all the Silicon Valley venture capitalists missed it, right? They probably just didn't realize that, that, that this was a business that could be financed and, uh, and taking the next level. So I was quite lucky to, um, sort of aquatic

lucky and smart. You just asked, um, and developing that habit of reaching out and asking makes a difference, say mmm. MMM. Tell us about, um, the acquisition process with escrow. So you reached out, it was already for sale. A what? Incredible timing.

Yeah. I'm a big for south for actually many, many, many years. So that was actually a corporate advisor who had the business for sale. Um, in fact, I actually saw many iterations of the pitch deck that had different investment banks logos on it. I think at one point it was sold and Smith Barney, and then it went through Citibank at one point. And then, uh, then the capstone and I didn't use years at the other broker had had it for the visor, had it for that. Um, uh, I was very surprised to, to see that was a sale and I was, I was lucky to purchase it. So

what were the negotiator? What was interesting was they were, they were shopping and you're right, it was on the market, uh, sort of quite passively, I would say, uh, four years. And what was interesting is that they never shopped it to anybody. In the domain industry and for kind of obvious reasons like we, you know, you hate to let your customers know that you're out there trying to sell your business. Um, but it's like the most obvious buyer is we're in the industry and they, you know, and if you asked, uh, cause I asked him multiple times and no business in for sale and um, not really. Yeah. Did you say, you know, in the end you, you stole that business, um,

uh, yeah.

Take your two visits. What do you mean acquisition based on the price that he paid?

Uh, yeah, the price you pay these in public, I don't believe, um, [inaudible] actually pump it is public because it's in my financial results after we have to follow these things.

Lego lay it on us. Matt, what, what did you acquire as Corp Com for

a 7.1 million us after adjustments? Yeah.

Very good. Well congratulations. And how did the negotiation scout can, what can you tell us about them besides that? It'd been on the market for a long time. Um, did you know, did they present that visibly? I mean, uh, verbally or did you only notice it as you saw the pitch deck iteration?

Well, I noticed it from the pitch deck when it had a logo of an investment bank that was not where the person who was procreate with was working a check file properties. And it's like I said like Ah, I can't remember what it was a cell phone. But I mean it's complicated. There's a couple of guy business, obviously it's a regulated business so you have to get regulatory approval in order to acquire these businesses, which requires quite a lot of work and quite a lot of effort. So it is a difficult business to buy. Not everyone could actually buy it. And it was really only because I had the France or group behind me and we have a whole compliance team and CFOs group, et Cetera. We managed to buy the business who were trying to do it. Um, you know, as I think a demeanor, I think it'd be actually quite difficult because of the resources this required.

I mean this is a business that makes slim margins. I mean, last year I did about 570.6 million with a book transaction volume, but the, that the margin, sorry, about 1.3, 1.4%. So as a result, um, you know, for a long time fidelity was carrying, um, now to the point where it's profitable and it's growing very strongly in the first quarter. It grew 45% year on year in terms of the volume. But, um, you know, it does need a fitbit of infrastructure, particularly particularly around compliance around IML. Um, uh, any money laundering, uh, um, and verification and security, that really means that you really showed up at your organization kind of supporting it. So kind of lucky that we have the friends of group [inaudible] to do that

and the experience because this isn't the first company you've acquired like this, right?

Oh, it's the first company that's acquired this regular regulated like this. And let me tell you, it's, it's not an easy business to run a at regulated business. There's a, there's a lot of Wiki to do. Um, you know, in the United States, payments has lagged so much. So, I mean my transmission business effectively, oh, escrow business in some states and so, and the u s has state by state licensing. Um, so there's 50 states, four states don't require licensing, six territories. You need 52 financial services, licenses to operate and actualize licenses on need to be fingerprinted, palm printed on printed. I know there's a thing, but those are kept over in Nevada rover. Uh, you know, you have to upload a balance sheet of my assets, um, a criminal background checks.

Um, I have to do this, um, you know, 52 times, um, uh, we, oh yeah, you'd have to do this for other directors of the company.

I've got non executive director who was just an investor because he owns more than 5% of the business. Um, he has to do it, his wife has to do it. Um, which is strange. Um, and then you've got all the laws you've got to deal with in terms of how it happened. A work. So for example, in California they require you to have an escrow manager. Um, do the approvals. So any type of, you know, office in California obviously, uh, you know, that collect interest on the money, you're holding accounts out as a kind of, a bit of a misnomer that some people think you can do that. You can't with the exception of Arizona where you can do it. And then you have to offer to the, uh, to the, to the customer if they want to collect interest. Uh, and Paez um, you know, Washington requires you to have separate trust accounts.

Um, you're all, the law is a kind of same, same but a little bit different. And, um, you know, you have to be regulatory regularly audited by the regulators and so you'll get, you know, knock at the door, hi, where North Carolina. Okay, come in. Uh, tell me customers of North Carolina, I'll show her. I'm not going to sit down and like audit. So we were being audited continually. Um, is that requires, you know, obviously a compliance team to be able to go through all that. Um, and yeah, that's just the United States right now. Australia, we got to an Australian financial services license, which also was, was, was um, mostly complicated in Australia. You have like this circular thing where, um, type of financial services license, you'd have respond, a responsible managers were responsible manager as works with another licensee, as responsible manager per your slices, sort of catch 22. Um, for the most part we're lucky because I had a compliance actually was then the head of compliance for paypal in Australia for 2005, 2012. I actually wrote the prudential regulation, but, uh, for them, um, it's government used to license pay pound Australia as a, as a prudential, um, uh, business. So there's a lot of work behind the scenes has to, has to happen in order to, to, to operate as a business.

And this isn't one of your 23 companies. That's incredible, man.

Well, I've got, well, I only have five now that are operating. The rest have merged in because our direct competitors, so there were about 15 competitors of freelance that which time try merged into HR. Uh, and then, yeah, there's five, five businesses. So,

and then how did Escrow integrate into Freelancer? Um, what was your vision for that when you bought it and how is that developed over time?

Well, the reason why I bought the business, it was a couple of reasons. The first was that, um, marketplaces I saw in the future increasingly being regulated like times businesses. Um, and certainly, I mean, I could say the defining characteristic of 2019 2018 has been the regulation that's coming to the technology industry is extreme, right? It really is extreme. Um, you've got a threeway trade war with Europe, US and China. So Europe, we'll find apples, you know, 14

billion euros. Um, and then Deutsche Bank is fine by the u s 9 billion, uh, doubles, I think it was at backs and forths to the EU, which is GDPR, which is, you know, targeted squarely yet, um, Google with Facebook. Um, and that it won't [inaudible] on digital downloads in 28 jurisdictions in Europe, of course, old jurisdictions have different, um, different tax rights, which is, you know, you'll think of the European Union.

The point was be harmonized. These sort of things, but they died a then California stopped coming out with a GDPR on steroids, uh, et cetera and so forth. So there's always all this stuff that's happening, but certainly with marketplace stuck in just to have a feeling that mockup places effect because I payment systems cause money goes into the money, goes out to third parties. And the fact that there's a bunch of marketplaces actually that are pregnant mind space kind of lacked payment systems, right? They like that. Like the big, uh, the big, um, mockup places like you see it and you often make some whenever you, the kind of off functioning like I'm a systems, right? And so regulation is that it's going to come into the BYU and Tamaqua places. And so certainly we're seeing that in Europe for example, there's a thing called PSD two, which the payment services directive two, where marketplace's Napkin no longer collect the payment unless you have a license.

Um, so you, uh, you kind of the same as the money transfer license. Yes. Yeah, that's right. Yeah. So you have to remember, you have to be a money transmitter by accident. Really equivalent in Europe. This why Ebay, you think? Do you think they had the foresight divide? Paypal we've got, was the one of the reasons or do you think it was just a or? I think it's one of the reasons. I think then they were Matt to spin it out. Um, I think it's just not squeezing down the building of payment system again. Right. So like, I don't know what happens. Yeah, maybe. I don't know. Um, uh, anyway, the flip side of that is, um, uh, strategically you want to own the customer all the way to the payment. So, you know, we were getting freelance to sign up in India. They'll do a website for someone, they'll get \$200.

They've got to withdraw it. Oh, do you ever open up a paypal account? So every one of our customers as being linked into, um, basically, uh, Ebay, um, and Ebay was trying to into our space. I got three or four or maybe five times, um, with various marketplaces for jobs. So, um, you, partnerships, competitors and so forth. So we just didn't want to like that customer data out. So we just thought, I thought to myself, I had to get a payment system somehow. Um, so I basically, uh, was always on the lookout. And the problem is it's just so hard to start these things from scratch. Um, you know, that's why the, the landscape really, it's just a tough, from a competitive perspective, um, to enter the payment space because number one, you can't survive in a payment with the payments coming in unless you have captive marketplace like EDI and paypal.

Right. You feed off it. I mean, in fact the host, there's a fascinating book called the paper was, which talks about how, you know, paypal trite and pivotal try diversifying away from Ebay. Anyway, he could, like, he tried gambling, he tried, I think he try porn at one point. You know,

like any age, any part of the, the, the, the market you can get into to trying to get volume for payments and he's couldn't diversify away from Ebay, you know? And, and then at some point Ebay was like, well, we have to kind of buy this business. It does younger, like 30% of our transactions, you know, otherwise we'll wake you up. That customer data is that the payments business had to come together. So, um, for some time I was kind of looking for how I'd do that. The problem is that, you know, you have to get Stipe of state licensing.

Um, I think the white time in New York is that two years. Uh, and that's only if you have a vote and that's only if you have volume and, and any, and if you have volume and, um, I priori that pocket a fondue, right. And you might look at a loss. So you, you'll get very careful, uh, in sort of circumstances. So, and it's very, it's very, very tough in it. And you know, if you're making only one and a half percent, you know, you need 70 million bucks of voting to make \$1 million. Right. So, yeah, just very, very, very tough business to get going to get started.

No, ma'am. I've heard you described Freelancer as the Ebay of freelance work services. Um, did Ebay's acquisition, uh, like, give me this in a timeline. Did ebay's acquisition of paypal inspire you to want a payment service or was it just your use of it or a combination? I'm getting you just said, Oh, I was using escrow all the time, so I bought it. But it sounds like a lot. Um, more more went into it than just that.

No, I had a plan to buy a payments business. I had a plan, you know, from a very, very, very long time to buy pants business. And, um, when I look to escrow, I just, I was just surprised to no that I can buy it. Right. I mean, I was looking everywhere. I feel like maybe like lost payment business maybe that had kind of run out of money, um, if I had lost anything. Um, and you know, it just, it was just, I was just lucky. Very, very lucky.

Yeah. You really work. Um, did so did ebates acquisition of, um, paypal, where did that play into all this?

Well, I haven't many years before. Yeah. Yeah. Long, long, long time before. But certainly I did look at the global marketplaces of products and they've all got payments businesses, whether you're talking Amazon, Amazon payments, Google and goes on payments business, Facebook's now watching apparently global coin a and so forth. So, um, you know, there's reasons why these marketplaces have payments, businesses you want to and the customer way down so that the payment basically.

Yeah. Um, so integrating that into Freelancer sounds like it must've been much easier than just the actual acquisition itself and all the licensing involved. Um, what, what was that transition like because did you already send all your customers through?

Well, we have actually, we actually haven't integrated it yet. I mean the process of doing that right now as we speak, um, you know, uh, as I said before in Europe, uh, is now, um, a directory

of that, um, payments have to go through a, the payments business and also in California, the direct department of business I side also is forming a view now, uh, correct or incorrectly that's under the regulator that, that um, you have to have an escrow losses to be able to take a payment as a marketplace. So we have basically now integrated by esker into freelancer and it's about to go live in the next month. Excellent.

Hmm. And how much has Freelancer increased the business of Escrow? I know you are so very data driven. Um, what do you see there? What percentage of the business does that grow for you?

Um, I'm not sure about the, all in terms of the volume, once the, once the Franz volume goes through what we'll be putting on that a large amount of time, a story. But I mean, y'all, you'll remember also escrow does, it does processing is a huge amount of audience already and that's growing quite strongly. So, yeah, it can produce a bit. Um, but um, really it's, there's gonna be some advantages from having a sort of a unified account that spans across a lot a lot properties and, um, all things you've got to do without, you know, if you've got a payment method and you've got, uh, you know, things you can hire, hire people to do those things, it will give a lot of convenience to people. Yeah, very much. Would that be a very deep integration, meaning like single sign on with escrow? That'll be the same account I've got this freelancer. Yeah. All funnel. Yes. Yup. Cool. Women looking at us to some time. So yeah. No, that's not going to happen initially in the next month, but that's, that's the next stage after we launch them.

Okay. Um, so let's talk about market differentiation for escrow.com. What are some of the complex issues and risks that users likely aren't aware of? Because even all this, you know, regulation and arm print, I've never heard of, um, because it's so complex on the back end, but for users, what are they not aware of? But they should be when they're choosing an escrow company.

Well, no one's lost and stuff on us. All right. Um, you know, if you look out in this space, um, all the other companies that exist, the small ones, they're all shutting down because they'll have one license basically if that, um, so, you know, paying your tried, entering the space. So they, um, they had a good two years of it and they were probably, um, a company that could have had the best shot at trying to compete in the space simply because they did have a, um, a financial services business unit, um, debit cards, um, a second, probably the prepaid debit cards that people can withdraw money from like airbnb. And, uh, we used to use pioneer as well, uh, until I entered the escrow space. I had to use it and they gave up, uh, um, Paysafe escrow just gave up, right? So they've stopped business down, um, and that haven't done yet about a mile or two months ago.

Um, there's plenty more that are just going to shut down one by one by one, because you need to be licensed as simple as that. Um, the, the laws, the law, and um, there's a reason why, um, uh, yeah, the laws are set up. It's because you're dealing with very large sums of money, uh,

potentially millions of dollars in the transaction and you can't have that money sitting in the general operating account, the business, right. It's gotta be in trust and it's gotta be on the certain level of prudential control. And um, yeah, there are a couple of escrow companies flooding around, particularly the mind space that don't do that and you want money just sits on the balance sheet and they can't pay out. Yeah. It was something else. It may be that your money for your escrow gets

it's you, right. Wages, whatever. Yeah. Which is for me, before I even understood the regulatory framework, it's around escrow, which I've become somewhat familiar with because of the volume of transactions we're doing with you guys. Um, and all the, you know, the various companies worldwide, they're, you know, always asking, okay, so why am I protecting, how does this work? What would, you know? And people that, that, that aren't familiar with escrow when we're, you know, there's a lot of education that goes into it, uh, onboarding a customer. But what always made sense to me was that like if I'm doing a transaction with some, you know, third party platform, whatever, and that company goes, some of these transactions take a long time from start to finish. Sometimes these, these closing cycles can be, sometimes it can be a couple of hours, sometimes it could be literally a years.

So, so long as that money is sitting there, uh, if that company goes bankrupt, if that company gets sued, if, uh, there's a judgment against them, you, there's nothing you can do. I mean, those funds are totally attached to that company's operating business. And, um, I have very few people realize that it's like nobody prices that into the fat, into the equation. It's like, well, you know, these guys are 1% cheaper or you know, or a half a 0.2 or a couple of basis points cheaper, whatever. Or they, you know, I like this guy better, you know, whatever it is. But these are not rational arguments because to me, I've always looked at this and said, well, right. You know, what's the cost of completely de-risk? Right.

Well, the last thing you want it, I mean if you're buying or selling something that's that's of high value. The last thing you want is execution risk on the actual payment, right? I mean you've gone through all the negotiation or the heartbeat and at the end of the day, okay, they sent that money and then what? Just the money gets a penis because the, you sent it to a flub on an operation that is using the pay, their wages or whatever is

eliminating that, that outlier possibility of the money disappeared or the company goes bankrupt, company gets sued, et Cetera. It's like, it's exactly what you said. It's like, you know, the hard work is getting them to the finish line. Just getting them to trust the payment processor, uh, or platform. It's, it's like I want it to be a no brainer and I've always just felt that when I tell somebody that we're going to use escrow.com it's abundantly apparently exactly what it is you guys do and provide and you know, there's a level of trust there. And so it's like, why would I want to create any more hurdles in my process? It's like my job is just to sell the domain or the website. And then once I get them to that point, I want it to be as seamless and thoughtless as possible. And anything else just always seem to me to be,

uh,

I just another hurdle I can do more explaining to do more, letting them comfortable. I mean can mention the damage that happens with divine space. If one of these fly by night operations that soon as the divine industry shuts down and people lose their money, people say, oh, I bought it to my name, I'm bought it to my name again because my mind was lost when I tried buying it. And I'll just blame the domain industry. There are plenty of examples in the financial security space of companies, very, very, very large companies that have a full over, um, and, um, the funds that being held extensively for securities. Um, uh, actually, um, is, is, is collateralizing the actual operating debts of the company. Uh, that was a big CFD provider, uh, that went, that went under, uh, many years ago. I think around the time of the global financial crisis, uh, in Australia, we had a bunch of, uh, um, uh, stock workers that did this.

Um, you know, the stockbrokers that you'd buy stocks through them and they'll give you high lvs, you know, so you can leverage up. Uh, but the, the way I could do that, it's to help everything that, all the money in the big pool and they could kind of, everyone could kind of, anyone's money can be ped, used to pay off any else's money and they couldn't, they couldn't settle one day. And I'll think they'll over. And I, she, I actually know a guy in Australia who's the CEO who, um, borrowed money against his own stock to buy more stock. And because that company fell over, he's company was going great. He lost everything, everything had ever worked for. It was just gone overnight. I had through no fault design. It just [inaudible] yeah, the, the, the, the broker used, uh, just, just, um, was using money to pass other people's debts. So that could very well happen with some of these smaller operations are not regulated. So

that's really scary. And on the user end, you know, um, we're coming in with a domain background, which is already intangible asset. Um, and so if we'll ask her his business, how much is, you know, um, a service, how much is an intangible asset? And then you also do escrow for things like Ebay's used cars. Right?

Right. So we do things like boats, cars, airplanes, jewelry, gemstones, diamonds, artwork, zebras, you know, shipping, shipping, containers of, of, of like Alfalfa from the u s to China. Um, uh, I think I saw a mineral rights, um, uh, go through just recently. So, you know, mining rights at the land. Um, we do, we've secured, I think, manganese going to railroad in, uh, in Africa. Um, what is that? Uh, manganese shipments down there? Yeah, they couldn't get, they couldn't get the, they couldn't get insurance for that part of the, um, uh, part of the, um, the transport. So they put the money to escrow, uh, instead, um, you know, surrogacy agreements. Uh, um, there's a, uh, one of the, um, content, um, aggregators for, um, Amazon uses us to, um, pat the studios when they increase content. Um, there's a spice station that might get off the ground in 2021 chord. Araya Aurora for by Ryan Span. It's, um, as a \$10 million a ticket and we take deposits for that already. Um, so anything that's complicated, expensive, um, you know, we do it, uh,

in a different life. I was in the fish business as, yes, many of our audience knows and you know, we used to ship, but we were [inaudible] are, everybody thought that we were this like huge company in new Bedford, Massachusetts with boats and manufacturing plant. But actually we were a few folks sitting in office, much like media options today. Instead of trending demands, we were trading container loads of frozen fish, mostly scalloped and were our primary function even though we bought a lot of local seafood and export it or repack the white labeled it, et cetera. What are primarily the thing niche or or competitive advantage was that we were like the largest importer of Japanese followups, one of the huge and porter of Chinese scouts and probably the biggest importer of Peruvian and Chilean scholars and the way that we, I mean it's very few.

We had maybe two relationships where we have been doing business long enough where we actually just trusted these folks who, and we paid them 50% and 50% upon receipt, but for the most part these are not folks that you can trust. I mean if it was, to be honest with you, it's like a, it's actually, I attribute a lot of it to my success in the domain business because I was dealing with some of the worst human beings on the class. People are literally out to cut your throat at any given opportunity to can. And it's just a commonly accepted principle, that business that's you operate a, that

drew was trying to explain that to me and he was like, no, no test. They'll harpoon your boat. They did. They get there first and there catches more valuable. I mean, yeah,

it's a, it's a, it's a crazy business. So, but the point is like, we use, um, uh, you know, bank letter of credit for the most part to settle a lot of these things. And it seems to me this escrow.com could serve the same function and probably easier and faster and cheaper. How, but, so my, my, my question is how do you verify that? So I buy a 40 foot container of frozen scallops in Japan and that shipment leaves Japan. You've got a bill of lading and they send me the bill of waiting. And you know, usually we would pay upon receipt for the bill of lading containers on the water. You know, they can't recall it. And then, you know, but the issue was that they could arrive and it could be a container arbitrators, which literally happened to us for it. And um, yeah. And so how do you, so that container arrives to me now let's say that I've put the money into escrow.com container arrives to me. How do I, how do you verify that we received what was paid for? Well, this an period and

you can put wherever you want in the contract, right? So you can upload a custom contract that you have between your supplier and yourself and then you'll have a, you have a time period to do an inspection. And then, um, you can have provision of the contract for post sale inspection that a post sale adjustment. So once the, once the container arise, you can inspect it. You can say it's not the quality. And then whatever you've got, you can set up for everyone, just whatever industry you're in, you can do instant adjustment. Maybe you're buying widgets and you say, okay, the defect rate can be 1%, but if it's high than 1%, you got probably a credit against, uh, you know, what do they access defects. So it's really up to you, whatever, what it is

tailored for your industry. And in just writing, just by industry a be different. So for example, when people sell an airplane that they typically will fly to the location of the negotiated price. I put the funds into escrow, they'll fly through location and then they'll do an inspection and they'll be a post sal adjustment, um, and transaction adjustment, uh, at the end. So, um, it's really up to you. You can, you can upload a custom custom contract, put anything in it.

And how do you avoid becoming an arbitrator? Like how do you avoid having to,

well, while you, the arbitration you can do through the through third party. So we use things like, yeah, net arbitration or, uh, we can, we can file something in the local court and, um, Santa Clara and, um, get a judgment in something if it's, if it's something expensive and valuable. And you want to get a proper judicial examination of what's going on.

Yeah. Interesting. And so for physical goods like that, is the the rate more or less what it is incubated or what is

in terms of the pricing? Yeah. Uh, it really depends on volume. Um, so, you know, uh, for commercial customers, you know, adding on back basis points are better. Usually that sort of volume. So it all depends. It depends on the industry and what it is. I mean, different, um, assets have different risk profiles. Yeah. We've got, if you've got a car or you've got a, an airplane, you know what it is, is it in number or you know, isn't a registry some way, you know, where it is physical, it's hot for today, disappear, you know, if it's, if it's something like more intangible, um, yeah, the software would have, you can be a bit more complicated because you just, yeah. You know, so the pricing does, does vary depending on what you're actually selling. Yeah.

Okay. You see all these fascinating transactions on the back end, including with domain names. What percentage of escrow's total revenues are from domain names?

It's quite a lot. Um, it's, I have a Hoff, I haven't gotten the number exactly in front of me, but it's, it's a Fabian. So I think in this report, what do we report here? Mckewan yeah, I think we did about, I think we were, that was it.

Okay.

Do do a 85 million in the first quarter. Um, two minds. I think our total volume was about 150. I have a half.

That's a significant portion of escrow's business. Were you aware of the domain industry before acquiring escrow?

I was, um, I didn't, uh, I didn't know that the escrow was so big in domain names. Um, you know, when you think about it, it kind of makes sense cause it's almost like an ideal asset to me to, to sell through the restaurant, right? You buy a domain for 1 million bucks who you're gonna send the money, who you're gonna send the password, who goes first? You need to have a trusted third party in the middle. Um, uh, you know, we are rapidly duty out tools and enhancements to the product to diversify out of domain names. So we've just signed a bunch of, um, very large Kamarck places in North America, um, you know, going into aircraft marketplaces, we're going to commodity marketplaces and so forth. So we are rapidly expanding into a whole bunch of different areas. And we're also building, um, um, industry by industry specific offerings, um, for those industries. So, uh, you know, uh, there's a lot, lots of guys, it's a very big space. I mean, it's kind of like, you know, the world and you would have international trade and commerce as a, yeah, this is a wonderful payment system. Um, and um,

does somebody from place, you can take it. Hmm. I'm curious about with domain names. Um,

you know, I can't think of someone better positioned than you, Matt, to advise. Um, the domain industry really as a whole, you see all the transactions on the back end. You have such an expansive knowledge as an entrepreneur, you're very forward thinking, where do you see missed opportunities? Where do you, where would you do things differently? In the domain industry. Um, I know that, you know, you don't have plans because of your positioning in escrow, um, to come in and, and take over the domain space. But what would, what would you do, um, if, if you could or, or would,

well, we'll enter Niva at, oh gosh, a couple conversations around this. I mean, I think that domain names are really virtual real estate, right? And that's kind of where we get to with the title of this, um, this quarterly report that we publish. And so I think that, uh, all the infrastructure you see around real estate in the real world, you probably going to end up seeing in the, in the virtual world. So for example, um, you know, we've, we started doing sort of domain name holding transactions a little while ago, which was, that allows you to kind of at least to buy a domain, you know, at some point. Um, you know, I'd like to offer, you know, the ability to, to finance some domain name purchase. So, uh, you know, you want to buy to man, you can afford it. We come from financing, just you just like to go by car or you go buy a house and get a home loan or car loan. Uh, and so on. And I'm sure there's gonna be a whole bunch of, you know, niche industries popping up around that provides all the different ancillary services you have, uh, in the, in the physical space. Um, for real estate. Um,

one product that I've always thought would be a natural fit for, for you guys would be an insurance product and like it's, it's killed me that there's never been insurance for domain names because it would open up so many opportunities and it seems like you guys are like uniquely suited for that. Uh, you know, even if you added it, it's like, it's like when you're booking a flight ticket, it's like, Oh, do you want travel shirts? You know, you're setting up the and ask for transactions. Like, do you want to ensure this? Right. And I feel like because the

volume that you're doing, it could be so cheap and a really effective product. Uh, probably a great revenue stream actually. But so, um, fitness basically fitness. So, um, well there's two things that you can insure. One is, is, is that okay? Um, so, so you're insuring the title basically like a title insurance.

And the second thing is thickness. So meaning that, uh, uh, you know, we're transacting very, very well, probably one of the most valuable to me, a ton of work, right? And, uh, this is gonna end up in your platform any day now and the next day, once every 10 days. And the biggest concern that the buyer has, um, and this is something that very few people, uh, even at the highest levels in the domain market or are even thinking about is the fitness of this domain for its perceived purpose. When I say fitness, I'm primarily talking about SEO and Google. So what is it, what does the link profile on this domain look like? And these are, uh, you know, what are the probability? Is the main, we'll actually be able to perform in search engines or is it going to have some hidden, you know, there's a great article about girlfriend.com, which is domain that we broke her, it actually, and, uh, there was an article about, uh, I think it was SEO journal or I don't remember which one I'm talking about.

You know, they spent three years, I think, uh, you know, building this thing out and they put a ton of money into it and they're very competent, you know, folks in the SEO world who are doing this and they can't get it to rank even for their own brand name. And there's no warnings in Google. There's no, um, you know, there's no apparent reason. And again, these are very competent folks. And so they went onto the webmaster forum with, if you're, what is famous, the head of SEO for like replaced Matt Cutts. Yeah. Um, yeah, exactly. [inaudible] Journal. Yeah. And so, you know, they're talking about this issue and it was like, uh, even he was stumped. He was like, okay. Uh, and in the end he was very skeptical. Like, Oh, you must be doing something wrong. And in the end, they, the conclusion was, oh, you know what, you're right.

There must be something here, you know, with Google, uh, that is preventing you from ranking. And it's not something that we're showing publicly. And then the idea, it looks like you must've had to do something with the fact that it was an adult site back in the day and you're probably like internally flagged this community as they won't let it rank for anything that is not crossed the risk on that. Well, so I think what's interesting is that I, I think it can be done. And the reason is most of the inputs now, this is a unique situation, right? Where there's this hidden, um, you know, counseling or something. Nobody. Exactly. And nobody, nobody can become aware of it, but I think that it could easily be done by you guys if you had like, uh, you know, DNS record [inaudible] insert of DNS record that allows, um, you know, you guys have access to, um, go webmaster or you know, whatever.

And you can see whether or not there's any, uh, penalties or warning on the back end. You can pull in data from things like a raps and, um, um, uh, what do you call it? SEO, Moz for, um, you know, looking at your link profile, see if there's spammy links and your weight's coming from, um, you know, uh, link farms and things of that nature. You know, there are, you know, there's

pretty clear indicators for, for probably 95% of the, of the things that would lead to a non fitness situation. And, um, uh, I think most of that is publicly available about them.

Yeah. It seems to me that I think that'd be something very, very difficult for insurance comes a price. I mean show I could probably price the, the fifth risk on this one, what probably would probably have been a suited, um, with like some sort of indemnity basket where, um, you know, you purchased the domain and there's like a whole back and we hold the whole back and escrow for a period of time. Um, and you know, there's some sort of adjustment that happens if, if there's a problem on the domain, right? Like almost like an earnout. Like, cause you know, like that there's some sort of yeah, 12, 12 month indemnification agreement that, you know, we can do something wrong. I'm not, I'm not sure exactly how you structure and structure that, but, um, that's my general feeling. I think if you want your insurance company in trying to get in the process or this throw their hands in air.

And the other thing is for us to offer insurance directly, I think it's not all set up. 52 licenses would have to get to the, I missed the phone with freelance stuff for example, like we went off a, um, one off that we all offer health care and, um, you know, chargeback insurance and how much are things on, on, on, on freelancer about the problem is you go to a third party health care provider, they'll print in one country next. Like, I don't want to sign up 195 of these things, so, you know. Yeah, yeah, yeah, yeah. Offer.

Interesting. So, um, this was a very interesting conversation exploring, um, opportunities escrow.com may have in the domain space. But Matt, I really want to know what opportunities do you see and, um, within the domain industry or industry segments they operate in, where, um, from your back end knowledge, are you noticing, um, things that you would do differently in the domains space?

Well, I think as a whole, I mean, even though there's been tremendous appreciation of domain names, I think the whole industry tremendously on the price, right? Um, you know, like you want to buy a shelf front anyway. All right. What's a building going to cost you to buy a shop front, right? Yeah. And then if, then, if you objectively mentioned the, the foot traffic, because pasta that shelf front, and mind you, that's in one locality, in one location somewhere in the world, and you could pay that to the traffic you can get on the Internet from people anywhere in the world. And the ability to scale up foot traffic, a shelf runs on it, you go limited capacity in terms of number of customers if he's on the stool. Yep. And then you engineer engineers spot another, build a bigger store, get more, you know, more space right now with a design that you have interested capacity. Right. So, you know, you used to the comparison on that and the main industry is just going to go up and up and up and up and up. Right. Like, you know,

so, so I agree with you 1000%. And in my opinion, what holds us back is the fact that there's no agreeable, you know, agreed upon framework for valuing an event. And I think that like, so you know, you, you mentioned the comparison to real estate and that many of the mechanisms

around commercial real estate will be adopted into the domain space. And I think that literally like insurance, like financing, like no third party financing, like, um, uh, you know, lease to own, um, you know, all of these things. I think the one hurdle that we're, we're, we haven't overcome is an agreed upon framework for how to value a domain name. That's an interesting effect.

Thank you. Sorry, just your, the cleanup

and um, uh, so I don't know, you know, we're working on some things on our end, you know, how to address that. But I'd be interested to hear, you know, how you think we could address that. But I think that that's really the thing that's holding us back from achieving, you know, capturing, uh, what I like to say, bringing price closer to value. Right? Because I think you and I both agree that the enterprise value of these domains is like exponentially higher than what it is. I would say probably 10 x and, and I say that because you know, you're looking at something exactly the analogy you were giving. I like to use Tiffany's and Tiffany's, I forgot the number of that because like they pay \$18 million a month or something for their, um, their flagship store on Fifth Avenue in New York. And um, Testoni, and correct me if I'm wrong, please add young.

But the, it's an absurd number and it's one store, one location, and most of that foot traffic is just tourists and tire kickers. And I'm sure that the store does good numbers, but they're losing money hand over fist on that, on that store. And they look at it and say, well, but it's marketing and advertising, it enhances our prep. Does it enhance your brand as much as owning diamond.com would, right. Which is global authors, you know, an incredible amount of trust and, and, and you know, signifies luxury. And it's like, you know, a diamond has grown in spare friend. I mean, w how do you take something like a diamond is a girl's best friend and, and, and you know, which was the beers. And if you're Tiffany's, how do you create something that is equally as powerful and global? What are you just saying?

If you want guide with.com and you want every person who buys a wedding room for their fiance to buy the Tiffany diamond ring. Well, you know, I mean diamond.com I think helps you get there. Uh, but they would, you know, and we've spoken to Tiffany's, we're trying to sell doggy.com as we speak. And it's like, you know, all the big companies, the low hanging fruit, they don't get it. We're already synonymous with time. Well, how can you be synonymous with diamonds when your competitor just told me they're synonymous with diamonds and the other guy over here thinks he's synonymous

and they're all there and they're robotic and they're all buying from the same minds.

And what's interesting is I think the people who are going to buy diamond dot Tom are going to be people making synthetic diamonds, which is,

oh wow. I mean that was certainly a, you put the cat amongst the pigeons, right? I mean, like you had the chance to on the space, now you gotta get disrupted. Right?

But isn't that a common theme that we don't, we see that like always, it's like everybody thinks that they're comfortable and no, we don't need that. We don't need that. We don't need that. You know, we're, we're their Goliath. And then David comes along with a better plan. And

well, I did that with freelance about com. I did that with the domain for, I forget what they call them. So, I mean, we were called GetAFreelancer, uh, originally when I bought the first business. And, um, no, I was happy with that name. Where are you from? GetAFreelancer. People understand you get a freelancer, right? And I'm [inaudible] gave me the original money to buy the business to me. Why don't you buy freelance at, I'll call them [inaudible]. That's all I really have to, I mean, Rosie is by any other the name still rose, you know, why should I change the name? And I thought, you know, it'd be, we get accountable. Can you go away from, I'm from freelancer. And I was like, okay, what, what does that mean? Right? Like it's pretty abstract. You freelance photographer, even things like going to conferences sometimes funny, like I get my, um, my little name tag, it's like, oh, well who do you freelance for?

Right? Um, and so, um, but, but the, I thought about it and I thought, well, what Simon said, well how does someone else gets it? And I felt, well, I would be forever limited, like permanently the, we will be getting freelance and that will be freelance. So and will we permanently subordinated, right? Yeah. That was with the second filled class brand and I didn't realize until I bought it that, you know, yeah, someone made some on the straight, hey, did you know you can hire freelancers to do the job for you? Like I have to go, what's the name of the company again? A desk or something. Rather than talking freelancer into Google, we were like one, two, three, four, seven, eight, nine, 10. Yeah, I bet to Google and then the generalist. Remember the customers, remember everyone remembers that you're the canonical industry defining name

brand, right? Sorry. Yeah, so I mean, Tiffany's be nuts not to buy a diamond. No problem. And once it's gone, it's gone forever. Forever. That's it. You know, it sold. It's off the market forever. Go on it. How can you research? We're excited to think, well, okay, here we are today. I've got my budget, I've got my pipeline, about my plans. I've got these projects I'm working on and I say, you know, oh wow. dot.com it's on the market. And I'm like, well, does it fit in my budget? Doesn't fit in my pipeline. Does it fit into my plans right now? But let's look forward to the next 10 years. Are you really confident that over the next 10 years Tiffany's isn't gonna? You know, somebody companies is going to say, Oh, you know what we'd perfect right now is diamond.com I mean, it's like we look at the growth of, you know, brick and mortar retail in its eyes and you look at, it grows out of digital retail and it's like, you know, hockey's there and it's like over the next 10 years, you don't think this is going to be invaluable asset for your pipeline, for your, you know, it w it won't make your budget even more efficient and effective.

But you know, I'll just talk to you how to buy diamonds and to Google. Number one is hottie brothers. Number two is Lynn Mera diamonds, diamonds.pro Blue Nile Choice, American Gem Society, Wiki House, brilliance.com Tiffany's his name. It's not even that. Nope. On the right

hand side, there's someone selling a, there's Tiffany's in like a sponsored marketplace of a thing. They're like two, three, five is five times down the main search results. It's not that unbelievable.

And there's so much assumption of dominance in industries and then they don't, um, integrate, um, bringing in clients who aren't already, um, connected to a particular brand when they don't bring in that, um, the generic or the exact match. Um, from that end, it's, it's, it's not that, you know, anyone would recommend that Tiffany's rebrand as diamond.com, but if you are synonymous with it, here's, you know, here's a way to really do that and to prevent disruption. Um, now Matt d

before we leave that conversation, if, if that's where you're going, I don't know. I have two points. Like, you know, things, it's the innovations, the domain space that I wanted your thoughts on. So one is deal structure and uh, the, you know, sort of innovation of the typical deal structure. And if you see any trend that supports what I believe should be the where we're headed. And so that's what I think is the most interesting. Let's say deal structure innovation should be, or would be, uh, one of two things. Either the lease to own, which I feel like we're seeing slut, not, it's not, you know, we're not seeing hockey stick growth in that section, but we're seeing more deal flow happening on either, um, owner finance or more likely a lease to own structure where there's, if somebody pays a deposit for a option to buy at a fixed price, maybe after its price escalates over time, but it's, you know, you've got some path to ownership and then there's at least component which allows you to use it to maintain this.

It's a great structure because it avoids the risk of bankruptcy for the domain owner. If the entity you're, you're, you're, you're providing the domain to, you know, cause backdrop where if you're just doing straight over and financing, um, you run the risk of, okay, this guy has paid 40% of the domain value, um, you know, declares bankruptcy and now your domain is just, you know, uh, for the assignment of creditors. And, um, second is more of a venture capital approach to domain, a domain sales, which is, um, like maybe there's a, a option to buy, you know, maybe structured like a recent loan, what I just mentioned. But, um, the purchase price is either convertible bet or it's like a call option. So at the domain owners, uh, maybe it's, you know, both parties have to agree or maybe it's at the domain owners. Um, we'll, but they have basically a call option on equity at whatever the valuation would be at that time or the last, um, completed, you know, valuation round.

Uh, and it's like, you know, we've got x, Y, z.com. And, uh, we sell it. It's, you know, million dollars. You're paying \$1,000 a month for a, uh, you know, for at least, uh, you've paid the, you know, some, a 50,000, \$100,000, you know, for your option to buy. And, um, you know, two years in, you've gone out, you've raised some venture capital, you're not quite ready to file a I as a domain owner to think that you are, you know, a really attractive, you know, what, I really tried to grow up and I said, well, I'd like to convert my million dollar purchase option or some portion of it into equity in your next, you know, uh, fundraising rounded. Um, and I think that this to me seems like the best way for domain owners to capture some of that enterprise value.

Now, to me, the biggest hurdle to that is two things, which is understanding the May value, right? And the wider public understanding to make value. And the second is that domain investors, uh, squatters as the wider market likes to call us. We have a bad reputation with people and they don't necessarily want us on the caffeine. So as somebody who is intimately familiar with the domain industry, more intimate than probably 99.9% of people in the industry and somebody who is in the startup world, in the corporate world, uh,

what are your thoughts on that subject? You know, you think you've got a union that might makes a little sense. Um, you know, I think one of the best investments I've ever made in freelance, it was game night France, we'll call, right. It really just gave us it, I mean, it is so much more powerful than sticking the money into marketing. Like it's unbelievable. Like you forever, you forever have the premium brand. In fact, one of the competitors had just stopped using the word freelance and for many years I call them contractors, but my mom thinks contracts and build bridges. Right. So yeah. How competitive go confused hadn't changed the whole terminology because every time they talked about freelances, they drive more traffic to us. Yeah. Right. That's, that's how powerful having the premium, the canonical name, he's for the industry or the premium search term, they've run time.

Yeah. It's just kind of a general story. Cool. Know customer recall. Yeah. It's such a free, not more word of mouth marketing, powerful marketing in the world. Yes. I think those things don't make sense. And these are these little things I think that naturally will come into the industry. I think the first thing you need to have that is good data. So it needs to be, you know, a long track record of data where people can say, okay, these domain prices are fairly stable. They do appreciate over time. It's not like be like bitcoin where it's going up, down, up, down, up, down, Yo, Yo old altcoin, you know, whatever. So, um, that's what we're trying to do with these quarterly reports is, you know, we have, we're best position in the world per mesh to release this data cause you know, 20 years of data, quarter by quarter of what happens, right.

Full at a domain keyword domains, you know, six letter domains, et cetera. And so if there's good data out there, then that means that other actors might be prepared to come in and do things like provide finance and financing. Because know they know that, wow, okay, what if I, if I'm, if I'm going to offer, you know, \$1 billion to for domain financing, you want to make sure that if the domain name prices is not gonna crash to zero, right. And to do that, you show 20 years of history, stable, slow, stable growth. Uh, as we showed in the report that, you know, is in the very, very first report, we did a survey looking at bonds, stocks, real estate, physical real estate, and we shot it. It was better than physical real estate. Um, you know, it's certainly a lot less to maintain it. Maintenance, how you tank seven bucks, how much do you pay seven bucks a year?

It's right at compared to, you know, council rates and, uh, you know, repairs and electricity and you know, all that other stuff you got to pay. Um, exactly. Reassurance. Broken pipes broke into so. Exactly. So if you can see tricity on, you know, automatic, automatic lighting, he goes off

after, after the war. But it's, um, but yeah, if you've got the data out there, then you've got another financial number of financial plies and not come in and go hang out with you. You know, this is actually a pretty phenomenal industry. It behaves just like real estate, but it's better. Right. Cause it's got uncapped, uncapped ability to grow pretty much. You only capped by the size of the world population, right? Yup. Uh, you know, global global customers and maybe well prepared. So yeah. Per Fertile end. Yeah. For a domain purchase that a physical, real and physical real estate.

Well, because you know, what's the loss given default, right? Well if someone defaults on a, on a domain name, um, lace, well the, the main gist, it's in our esker account, you've got the money back instantly I can within seconds, is that right? Yep. And then, and then you just have to look at, well, is the pricing stable? What's the resale value? What's the, what's the lvrs will prepare to offer on that domain? Right. So, you know, uh, you know, I think this is all going to come in a big way. And I think, I think it's gonna really been a boom to the spice. And I'm seeing now houses in Hong Kong, they are full south us \$360 million. Yes. Right? Yeah, yeah. In Australia, I mean, we'd never sold a house about 20 million bucks until 2002 but now this friend of mine, but when asked for \$100 million and I'm on board for \$73 million. Yeah. Meijer is a \$20 million houses. Right? I mean, dyneins generally not even close to that yet. Right. And I'm seeing seeing some stuff to go through in that price range, but, um, but you know, it's just going to be natural.

So man, you mentioned that as grow, um, about, you know, a large portion of your business is domains, but you're working to really expand beyond domains. But quarterly reports does Asgrow issue a quarter re Lee report for any other industry besides domains? And they said no. Dot. Okay. And you just started, um, you mentioned that the first report, you know, looked at stocks and bonds and domains altogether. That was just this January, 2019 was your first quarterly report and now that'll be moving forward. Is that, um, part of a plan to grow the domain business? Um, yeah,

so we, we, we just issued the second report. So the first report was quite detailed and went through and look through the history of all his ethic classes and then we did the first quarter update for that, uh, distinct knowledge. Um, uh, we actually are in the process of literally interviewed someone today to come on as marketing manager to actually look at some of the other industry verticals and what we need to do to talk at them. So there's, there's a lot we can do targeting, um, you know, the vehicle markets, you know, the op op mock, you know, the, the um, developers using the API, you've got net which allows you to kind of integrate escrow is easiest. Paypal, um, and, and also broadly, more broadly, the consumer market and just how, how we can get educate people. Again, never bought anything along those shoes. I screwed up columns. So, uh, that's something we were in a box on, do increase pretty, pretty soon.

Nice. Where are you now as a serial entrepreneur and a business builder? Where do you see low hanging fruit in the domain industry?

Oh,

one issue in escrow outside

the low hanging fruits and the pricing. I think I'd be like, you know, like um, no mean I bought a domain name recently. Andrew, I forgot that. I thought I got that pretty uh, you know. Yeah. Well livestock.com I think that's when you want something in the future. So pricing is just so, yeah, side trips, don't

you know, it's such a perfect example because it's like, okay, livestock.com

you're talking about a category killer name for one of the largest industries on the planet and it's like if you are the platform by which even 1% of that market [inaudible] uh, which you know, seems like a natural thing. It's like, oh, just you know it, gastro.com and white labeled on the livestock.com and just be like, you know, the platform is actually livestock. And it's like, what does that market work? And it's so big. And then you say, okay, uh, you know, to be fair, you know, we went out, we marketed livestock.com in many of the existing players, just like I said with diamond.com. It's like they don't get it. They don't, why do I need labs? Particularly in livestock that goes, know it's a, it's an old industry like seafood and, but when you just take a step back and you say, okay, uh, what is the value of just transacting tiny little part of that market here on this platform? What's the enterprise value of this domain? And it's, it's so many multiples, uh, so many orders of magnitude greater than what these domains are selling for today. Uh, and that is ultimately the value. It really just talking about what, you know, what's the value of this work? The value is, we're not even talking about real value today. We're not what we're talking about as price and what the price is, the market will accept. Well, we got to do is bridging that gap between price and value close together.

Just so you get a polo, I didn't scenario what do, what do you think?

Well, you never know. You never know because I think when things get momentum, they can just take off. I mean, look at the bitcoin price, right? I mean, if people, cannabis stocks, you know, like lithium stalls, right? Like people, people jump on it and I think, wow, this is a big opportunity. Then you get a boom, right? And then just takes off. I mean, I've 2013 the global livestock trade was 883 billion Dulles sidebar is gonna be half a trillion dollars for the tray.

Right? Trillion dollars.

Yeah.

1% that 1% one, 100% I don't even, you know, original here. One 1% of 883 billion. \$800 million.

No, I, I t point, um, 5.3,

8.83 sorry. Sorry, sorry. No, yeah.

Not Bad. Not Bad. You know, today? No, I don't know. There are a lot of Zeros. I tell you 1%. Okay. So my mathematical skills aren't so hot. I was where the business leaders in the domain industry you respect the most?

Oh, I don't pick favorites. They're all good. They're all good. I can't be famous. Um, you know, they're not all good. Oh, I know. But

yeah. What's the craziest thing you've ever seen exchanged over escrow?

Uh, well, uh, some greasy agreements, like if you have a baby for someone in the u s which is legal to do that, um, and, and pay for that, um, you know, you'll have like fetal heartbeat, we'll get payments and then fetal hoppy plus one month we got a payment and she wants, cause you can't, you came someone's child and you've been as a, sorry, sorry. Getting you being paid for it. You if you, if you miscarry. Yeah. You bet you don't get paid and you've been through all that. Yeah. Yeah. Wow. You know, tough job. You want to actually get paid, right. So the things that I go through, um, you know, livestock for example, um, you know, it's complicated to move livestock around the world. You need to make sure it arrives alive and quarantine documents and shipping documents and so forth. That can be complicated. I mean, this space station, um, Aurora, they're talking about there's some tickets for 10 million bucks a seat. Um, you know, that's going through restaurant. Um, as we speak. If you put down a deposit of \$80,000 right now, so that would be an interesting world's first luxury spice. I fell.

Do you guys want to go?

Um, I'll go off to 10,000 people. Come back the 10001st ticket provider. There's been no accidents along the way.

All right. All right. I was, the highest ticket has ever gone through escrow.com.

Um, I believe it's about 25 million.

Can you tell us what it was?

I think it's a portfolio of domains.

Alright. Domain. We did it again. I'm pretty sure about 25. Okay. All right. And do you think escrow will, I do have plans to accept a bitcoin crypto.

Yeah. But that was never is a big word. I'll, I'll accept fed coin when the Federal Reserve releases fed coin. But other than that, I will not accept crypto. And the real, the reason why I simply, I mean, I was an adjunct, a associate professor of cryptography at 14 years. So this is what I taught in class. But the problem is governments hate it because governments don't want to lose control the money supply. Right. And, um, yeah, if you start a bitcoin company, you can't open a bank account. They won't let you. Right? Like, yeah, I thought it was a bitcoin startup in town. That's up. It's up to the 50th bank account. Right. And you just can't do it. I mean, the regulators don't lock it. Um, you know, you become a magnet for hacking, right? Like a complete magnet. I mean, all softwares, all softwares buggy in the big of the software, the more buggy it is.

Right. So, you know, you know, these exchanges [inaudible] happened to all them. All the money's missing. Yeah. There's no one really knows how much volume is really going through the cryptocurrencies. Um, you know, uh, as a Wall Street general report came out just recently saying it actually has 90% lower than they were on things to the is it's just they would pay new a type and so forth. So I don't know the whole, the whole industry. I mean, I can't buy my groceries with it. I can't pay my rent with it. So why would I buy whole foods through a third party to meet her right to you. I know you can like be a cop doesn't work, but like, yeah, I'm not going to touch it. Um, it's just too hot and it's too much trouble. They put a target on your back. I mean the, the uh, the, I think what will happen to ultimately use the Federal Reserve will come out with fed coin.

There'll be some sort of digital cons. Crypto currency, probably not crypto probably is digital currency that the u s will issue. Um, because you know, governments ultimately I think will like digital currencies cause you can tax them in real time and doors and things like that. Exactly. All the money, all the way around high as you go, every time you do a transaction now techs go straight straight in. Right. Um, so I think something like that will happen and then, you know, if the US government releases a coin, we'll support it. Um, but you know, and they'll always be like a bitcoin around forever from here on into all sorts in the fairest transactions. But we don't want to have anything to do with that sort of thing. So it's just too difficult. I just don't think it's necessary and [inaudible] anyone, anyone, frankly, it's holding you 1 million bucks in bitcoin right now. You probably should sell it, like bust some goals with something. I don't know for it to mind on quickly,

what is, what does your do mean investment portfolio look like in, um, in relation to the rest of your investment portfolio and just in general?

Um, I've got a bunch of really good mines. I don't really want to talk about them because we haven't publicly disclosed the names that we have because they might be future businesses that we stopped. And I just don't want to, um, you know, preempt anything in the market. But, um, you know, I've got probably Oh, 30 pretty high quality, the mines I think, uh, that we brought up time, uh, in key key segments that I think I'd be confused areas of the business to go into. Um, uh, and we just have to know some of them you see it on for years, we just have to kind of, you

know, get enough results to get together, gone start something serious in some of those segments.

Okay. And support,

I've seen a few of these days and I mean it, Matt personally or through the company owns some, some really lights, phenomenal,

you know, Bang on a cow, a keyword domains.

Yeah. Yeah. Um, I was lucky, right. And early and, uh, yes, someone was names like up for great prospects, tried doing it analogous zero already on the end of them. Right. So, yeah.

So a pretty heavily, uh, you prefer keyword domains, exact match domains. You know, I've heard you say livestock.com, freelancer.com, escrow.com and I heard Andrew say keyword. Um, yeah,

yeah, I do like the clinical, um, search term use to define the industry, right? I think that that they are just the absolute killer, um, domain name to have. Um, you just, you just defined the whole industry.

I just can't think of a way to better associate your brand. Would the industry that you're targeted, you know, it's like, isn't that what branding is? Isn't that what to what marketing? Isn't that what the task of marketing is like to say, okay, we're ticketing. Let's say, you know, Tiffany's day one, we're Tiffany's and we want to go out and you know, we've, we've decided who we are, we've got this ITOs and we want to go out to the market and teach them who we are so that when they go to make a purchase decision, they associate us with that. I, how can you better associate your brand to the market that you're in then owning the category killing.

Well, I think I, I think, I think it's two fold. I think it, I think it's one is you want the name to be the category defining name number two, what happened? You competitive it gets it. So even if it's, if a synthetic diamond company gets diamond.com and every day millions of men that are looking up on the Internet, oh, how to buy a engagement ring or how to buy, how to buy diamond ring on Google and they find, oh wow. Did you know you could buy synthetic diamond just as good as Tiffany's, but cheaper

Jeff, Justin, no, not just as good. These them, these diamonds are Wallace. Perfect diamonds can be ugly. Indistinctual from a natural diamond, chemically interesting tool, but perfect and flawless and grown in the lab.

Yeah. It just, it just, it's just why you'd be nuts not to grab it nuts. Yeah.

So

we tend to use this video afterwards.

So with your, um, with escrows quarterly report, um, for the [inaudible] industry, where in the Demean Sherpa, um, the average listener, where can they sign up to receive this? Check this out. Um,

you just go to the homepage, escrow.com and on the home is a section where you can just type in your email address and we'll, we'll email you the report. We actually are going to go to part of the site which will have all the previous reports listed. We haven't done that yet, but if you just go to the home page and sign up, I will send it to you.

Nice. All right. And I will make sure to have the two reports available from domain Sherpa, um, as well for, you know, for our audience who's listening, if anyone hasn't read it or hasn't really sat down and extrapolated from it. Uh, there, there is just no pun intended, a gold mine of information in there. So yeah. Good for you, Matt. Thank you for all you do for the domain industry. I think that, uh, you coming into this space has been, um, a real gift to, um, the demean community and I think that these quarterly reports in particular are really going to, um, continue to, uh, to grow our industry. Um, thank you for joining us here today, and we're very much looking forward to having you on the show again in the future. All right. Thanks, man.