

Domaining : Internet Real Estate

How to start grow and sell wildly successful eCommerce businesses.

Chad is the Founder of eCorp.com (1996) and co-founder of Domain Holdings, a technology-based venture development, advisory and investment group



Welcome Underground 7

How to turn \$10 into \$100,000

About-Value-Find-Monetize

Everyone in the World will own a domain.

Whether its your sir name, something catchy or a business you're thinking about starting eventually every person in the world will own at least 1 domain.



Question:

- Who owns a domain?
- How many?
- For how long?



About Me / eCorp:

15,000 Domains, Millions of visitors / month.

Founded in 1996. Business plan: Virtual, Web-based, IP Entrep
(not intellectual property)

- Streaming.com
- Applications.com
- Staffing.com
- Consultation.com



Corporate clients embracing Domaining

Some of the largest newcomers to the mass domain portfolio acquisition is corporate America.



Clients and Customers:

- Zynga
- Cisco
- Microsoft
- GM
- FedEx



Domaining Defined:

Wiki: the practice of identifying and registering or acquiring Internet domain names with the intent of selling them later for a profit.



ICANN: The business of buying, selling, and developing domain names, also the practice of monetizing domain name registrations (eg through pay per click (PPC) or parking pages).

PCMag: Domaining, originally called "cyber squatting;"

My Definition: "Homesteading of the 21st century"

So, what is a domain name?



A Domain:



HandyMan.com

Internet Protocol (IP)



216.152.130.58

Domain Challenge

Dinner for 2 for the first person who raises their hand and remembers the domain name and the IP address



Domain + IP = DNS system

Humans like letters, Computers like numbers—computers don’t understand letters. In fact, letters are translated into numbers for computers to understand...



HandyMan.com =
216.152.130.58

Work smart:

We should all be concerned about the future because we will have to live the rest of our lives there.



How I got started in Domaining:

- Entrepreneur at age 14
- Student Services, Inc
- Real estate 1995 \$5,000/month Rent
- Hacker for contract
- Domains open 247



Domain cost:

In 1994 domains were free. Later they cost \$70 per year, and today they're about \$10

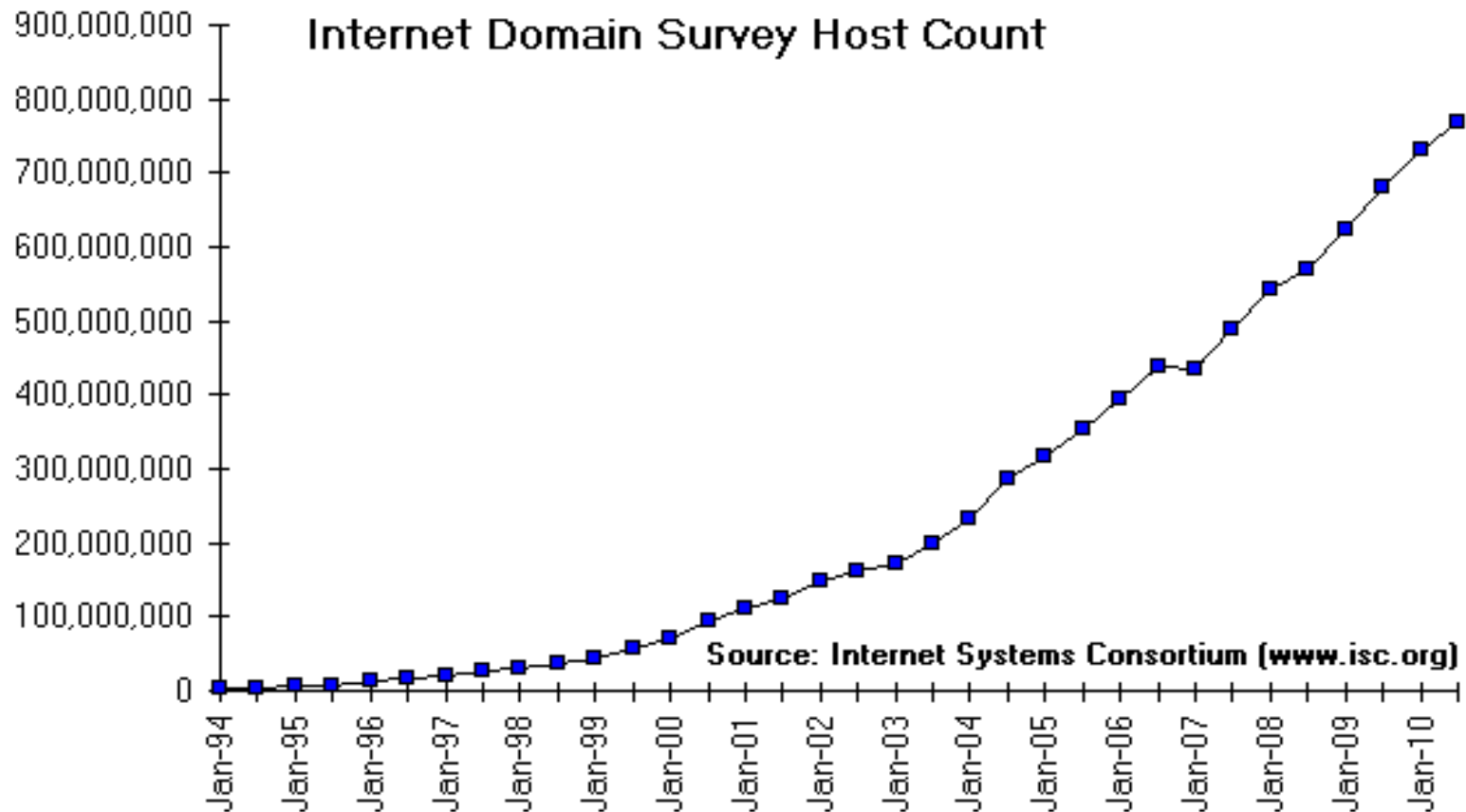


About Domains:

- 205 million domains.
- 6.5% Growth/yr.
- Dept. of Commerce/Leasing
- ICANN



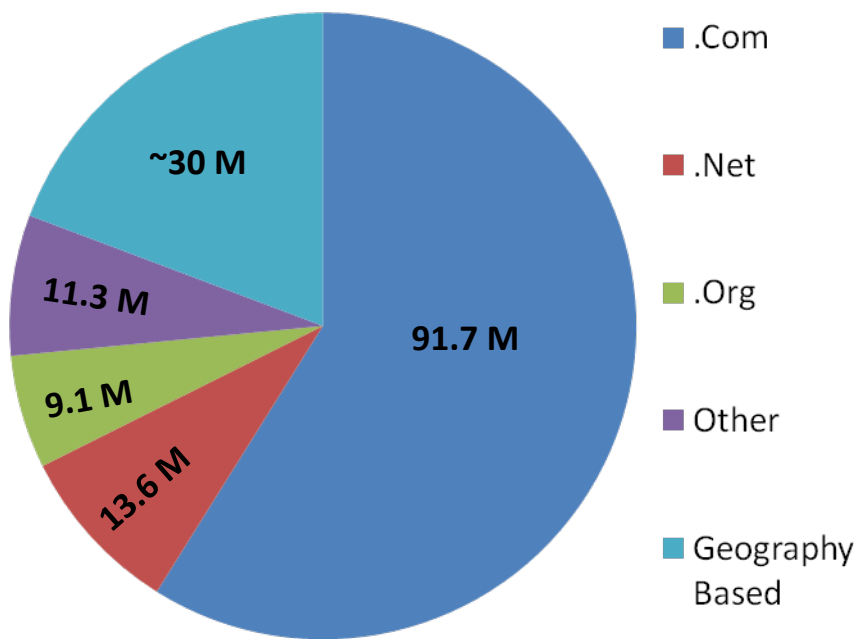
The Number of Domains Continues to Grow Rapidly



The Market Opportunity Is Extremely Large



Top Level Domains



Total = ~ 150M TLD

Top 10 Hosting Servers as of 1/4/11

Server Rank	Owner of Service	Server	Domains Hosted
1	Godaddy	DOMAINCONTROL.COM	28,258,736
2	Enom Incorporated	NAME-SERVICES.COM	3,312,810
3	Network Solutions	WORLDNIC.COM	3,020,495
4	Internet, Inc.	1AND1.COM	2,752,735
5	Oversee.net	DSREDIRECTION.COM	2,066,969
6	Yahoo	YAHOO.COM	2,018,446
7	Sedo	SEDOPARKING.COM	1,948,502
8	Register.com	REGISTER.COM	1,439,489
9	Theplanet.com internet services	HOSTGATOR.COM	1,411,703
10	Bluehost,inc	BLUEHOST.COM	1,231,073

Domain Patterns:

1999, ICANN created the Uniform Domain-Name Dispute-Resolution Policy (UDRP) to resolve cyber squatting disputes. If not resolved, trademark holders may still take legal action.

Early Days:

- Name Finding—one word
- .com was a gold rush
- NSI Drops, Re-register, No pay
- Backdoor CC system
- Domain Buying / Selling—revenue stream
- Cybersquatting: Ronald@McDonalds.com, Madonna.com, Whitehouse.com, Connectivity (ISDN, DSL) created value: Marketing.com, Streaming.com
- NSI monopoly



Garbitrage:

Buying junk traffic from 3rd party (overseas) networks and reselling it on high-quality networks like Google and Yahoo.



Middle:

- Domain Tasting
- Arbitrage (Garbitrage)
- Scaling
- Software/Metrics



eBusiness is big business:

Internet Advertising is 25 Billion Dollar / year industry.
Internet Retailing over \$200 Billion /yr.



Today:

- Inventory Clean Up
- Portfolio Leveraging
- Drop in PPC, shift focus to Dev.
- Focus on Sales
- Development / ROI
- Technology, connectivity emergence



Values:

A domain name is worth what someone is willing to pay for it, or what its worth is to me on a personal level. ChadFolkening.com, Staffing.com



Value of a Domain:

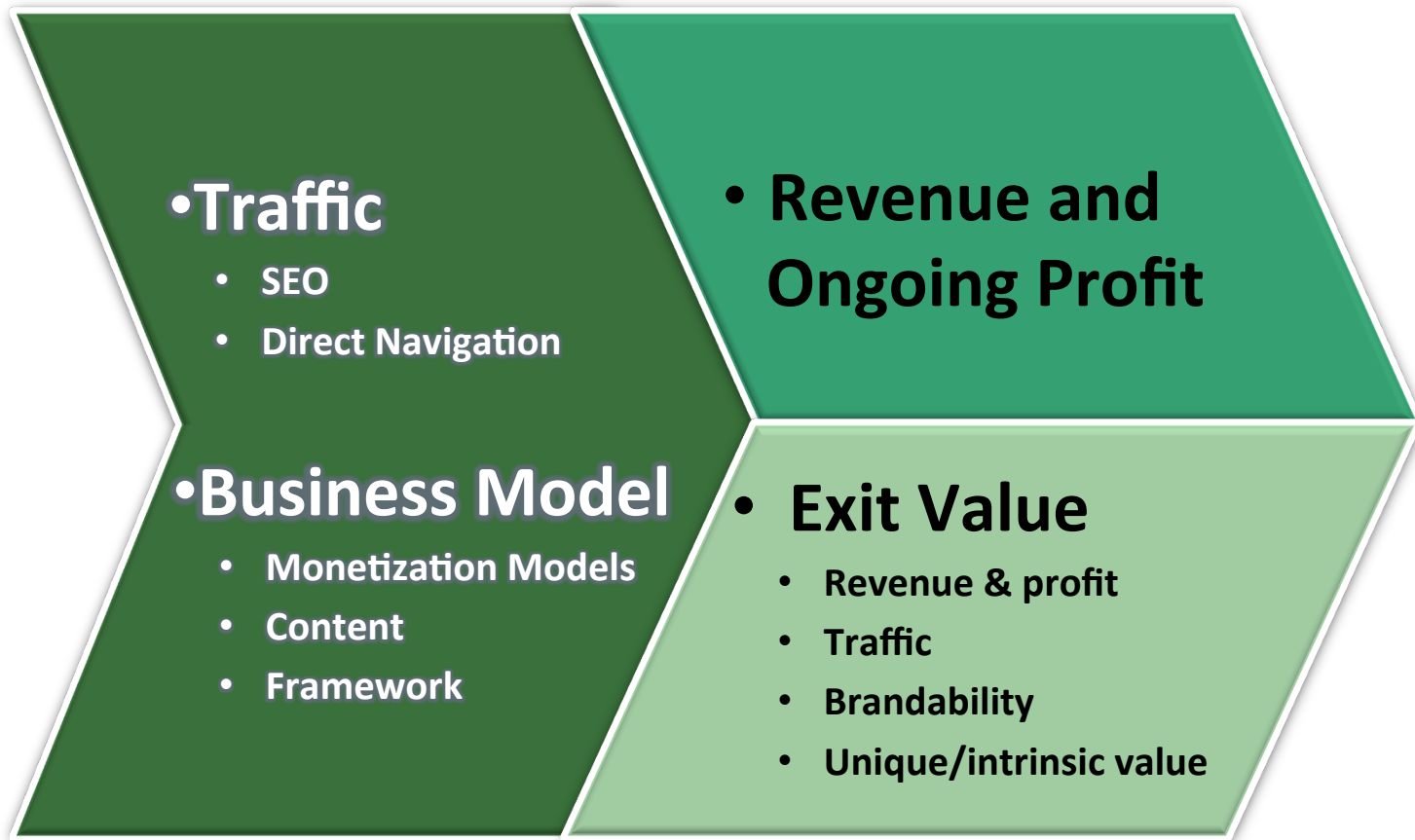
Historic Valuation (8x revenue)

Traffic, Revenues, Brand, SEO potential,
Information—example:

1. Criminal (PharmacyCard.com),
2. Strategic Partnerships, Competitors,
Distribution Points (affiliate system- SEO)



Multiple Variables Determine Domain Value



Invent:

Friend of mine hires 1 coder, builds a public PPC aggregation system and sells for \$20 million in 1 year.



Technology

Platforms, Web-based IP
gathering point, Application
Duplication (Scaling)
ie. Survey, Forum



Domain Cost:

Typical Domains cost the owner about \$10 when it was originally 'bought' from the Department of Commerce.



\$10 Domain worth \$100,000?

Sold: eBot.com, ePage.com, Webex.com

Current: NetworkSecurity.com,
Linked.com, Streaming.com, Felony.com
Consultation.com, Applications.com



Daily Opportunities: Rock Hard Challenge, Articles...



Capitalizing on hidden sources of traffic: A tale of pure awesomeness

By Stephen Chapman | February 18, 2011, 12:00am PST

Summary

Hidden sources of traffic are everywhere. If you're perceptive enough and lucky enough, you may just hit the jackpot like I did recently! Read further to see how...

Topics

Strip, Monitors & Displays, Productivity, Hardware, Components, Stephen Chapman

Blogger Info

Stephen Chapman
[Bio](#) [Contact](#)

Recently, a popular online comic site created a new comic strip. Contained within the comic strip was a frame with a computer monitor, a Web page up, and a funny — albeit slightly NSFW — URL written across the monitor's screen. Due to the size of the computer monitor in the comic, one might easily miss the URL if not looking closely. But this is a VERY popular site that I would wager some tens (if not hundreds) of thousands of people flock to on a daily basis; so even if just 1% of people notice the URL pasted on the computer monitor and have the gumption to try to actually go to it (like I did), that's a fair amount of potential traffic, right?



Pure awesomeness!

Opportunity Knocks

Lucky for me, I happened to be in the right place at the right time and was one of the first people to view this particular new comic strip. I tried to access the URL I noticed on the computer monitor in the one comic

RockHardChallenge.com

Rock Hard Challenge Month 2 Workout

5-3-1 Workout

M&F RAW! Biceps Ladder

More from Training

1 2 3 4



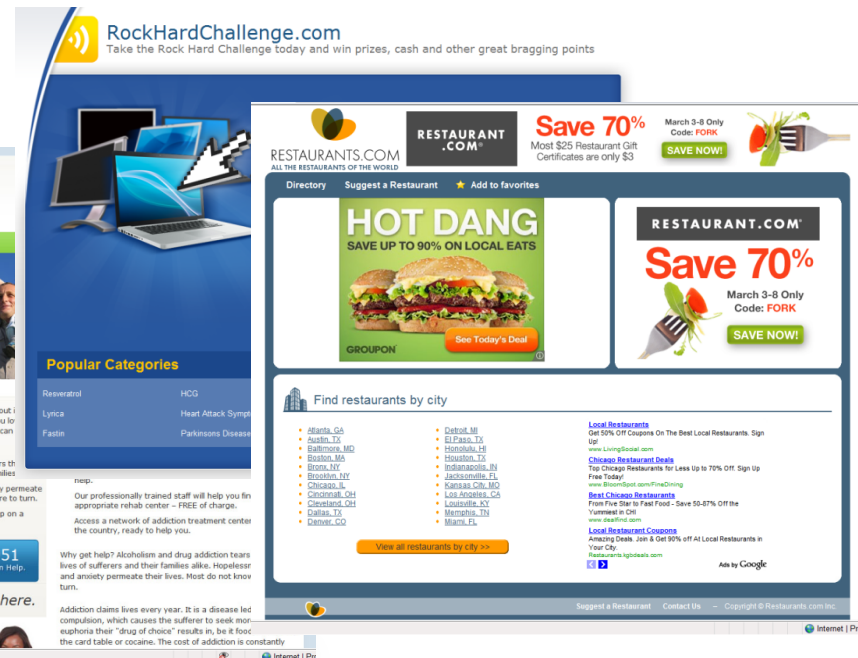
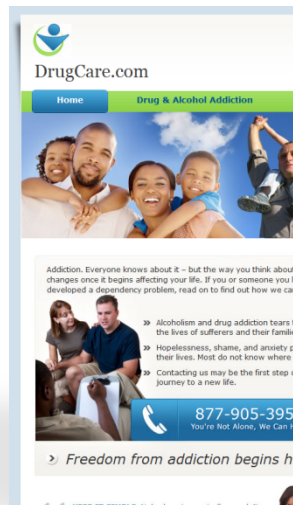
There are different levels of opportunity

Here's three that we executed this week at both ends of the value spectrum

Restaurants.com: >7 figures (NDA)

DrugCare.com: \$69

RockHardChallenge.com: \$10



What are domains worth?

What someone is willing to pay you!

Connectivity.com (one word) – DigitalCameras.com



Valuation of Domains:

What someone is willing to pay you.

Estibot, Sales Reports, i.e. Enom, Afternic, Personal, Brand, Keyword, Search Results, Advertisers.

iReport-750k, CertifiedService-? 100k ? Superbowl commercial., etc..





Bulk Appraisal - Results

Successfully appraised 6 domains. You can instantly view detailed individual appraisals, generate domains in other extensions and copy-paste or export the domains to text or CSV by clicking on the appropriate button below.

Move your mouse over metrics such as SERP and Ads for detailed information about the domain.

Appraise Another

Register Selected

Whois Selected

Instant Text

Export as Text

Export as CSV

<input type="checkbox"/> Domain	<u>Word(s)</u>	<u>Appraisal</u>	<u>SERP</u>	<u>Ads</u>	<u>Alexa</u>	<u>WTC</u>	<u>OVT</u>	<u>PR</u>	<u>Searches</u>	<u>CPC</u>	<u>TLDs</u>
<input type="checkbox"/> handyman.com	handyman	\$987K USD	7.9M	11	546.4K	477	15.2K	6	201.3K	\$2.62 USD	<div></div>
<input type="checkbox"/> kylenorton.com	kyle norton	\$660 USD	120K	3	0	-	-	0	585	\$0.70 USD	<div></div>
<input type="checkbox"/> videoinc.com	video inc	\$1.4K USD	3.4M	2	0	-	34	0	110	\$2.07 USD	<div></div>
<input type="checkbox"/> drugcare.com	drug care	\$1.4K USD	156K	0	0	-	-	0	55	\$0.05 USD	<div></div>
<input type="checkbox"/> underground.com	underground	\$85K USD	93.1M	1	0	1.3K	93	4	671K	\$0.00 USD	<div></div>
<input type="checkbox"/> billgross.com	bill gross	\$5.9K USD	321K	0	3.2M	20	631	4	8.1K	\$0.64 USD	<div></div>



The DN Journal Top 20

Reported Domain Sales - Mon. Feb. 21, 2011 - Sun. Feb. 27, 2011

Euro to Dollar Conversion (€ to \$) is Based on Rates in Effect March 2, 2011

	Domain	Sold For	Where Sold
1.	Won.com	\$115,000	Moniker/SnapNames
2.	SocialMusic.com	\$60,558	Moniker/SnapNames
3.	Sketchbook.com	\$50,000	Sedo
4.	Venture.ca	\$32,500	Sedo
5.	Love.me	\$32,000	Moniker/SnapNames
6. tie	BridgeLoan.com	\$27,500	Moniker/SnapNames
6. tie	IAS.com	\$27,000	Moniker/SnapNames
8.	Damages.com	\$26,000	Moniker/SnapNames
9.	EmailSignature.com	\$25,000	Sedo
10. tie	ChristianFundraising.com	\$23,000	NoktaDomains
10. tie	PD2.com	\$23,000	Sedo



Finding Domains

What is the purpose?



- Redirect
- Revenue
- Traffic
- Development
- Market Protection
- Sale
- Flipping
- **Parking Companies:** Standard for past 10 years- Changing
- Domain Auction and Broker Outlets- 10-20% commissions
- Development Companies and Systems:
- **Rapid Domain Builder**



How do I get a good domain?

You don't have to buy a great domain to build a company. I guarantee you Google.com sold for about \$10, its an obscure math term: 10 to the 100th power—its even spelled wrong. It is supposed to be Googol



Finding the gold

- Create
- Drops
- Aftermarket



How do I get a good domain?

You don’t have to buy a great domain to build a company. I guarantee you Google.com sold for about \$10, its an obscure math term: 10 to the 100th power—its even spelled wrong. It is supposed to be Googol

I like the drops...

Drops(\$69) Pending Delete and

NameJet: Has all the NSI domains.

SnapNames: don’t allow to see others who backordered, have a nice domain grabber API

Godaddy: First come first serve, One backorder/domain

Pool: Good Keyword / Email Delivery

Estibot.com: Market Data

DomainTools.com: Domain History

My Auctions

View All Last Minute Board Bulk Bid


Displaying 1 - 47 of 47 listings << Previous | 1 | Next >>

Bid on Selected Domains All times listed in US Pacific Time

<input type="checkbox"/>	Domain Name / TLD / Status	Type	Bidders	High Bid	Time Left
<input type="checkbox"/>	manillahotels.com	Private	27	\$69	3h 52m
<input type="checkbox"/>	homedefibrillator.com	Private	80	\$235	3h 54m
<input type="checkbox"/>	envivo.com	Public	4	\$79	3h 58m
<input type="checkbox"/>	louq.com	Private	44	\$143	4h 4m
<input type="checkbox"/>	nutrillondirect.com	Private	72	\$710	4h 21m
<input type="checkbox"/>	candlewax.net	Private	20	\$69	4h 25m
<input type="checkbox"/>	phhh.com	Private	73	\$211	5h 2m
<input type="checkbox"/>	travelpost.net	Private	18	\$100	5h 3m
<input type="checkbox"/>	lubex.com	Private	36	\$161	5h 4m
<input type="checkbox"/>	greencall.com	Private	62	\$300	5h 11m
<input type="checkbox"/>	e-go.com	Private	50	\$500	5h 12m
<input type="checkbox"/>	equitystore.com	Private	21	\$81	5h 21m
<input type="checkbox"/>	samblog.com	Private	35	\$185	5h 24m
<input type="checkbox"/>	enterior.com	Private	23	\$79	5h 25m
<input type="checkbox"/>	energypoison.com	Private	104	\$2,050	5h 29m
<input type="checkbox"/>	miamiglobal.com	Private	3	\$69	5h 33m
<input type="checkbox"/>	flitro.com	Private	58	\$810	5h 38m



SnapNAMES

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SIGN IN 

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Domain Auctions

Domain Brokerage

Domain Products

News & Resources

My Account

My Account

Buyer Dashboards

Seller Dashboards

History & Profile

Financial Center

Auction Lists

Bulk Tools

Auction Lists

Downloadable lists provide an easy-to-use means for viewing domain auctions starting or ending soon. Simply click the icon next to the list you wish to view. All lists now include the number of bidders, source of names as well as other key data points. [View the classic download page.](#)



Exclusive Seller Domain Names

All domain names for sale by private sellers. Find quality names at the right price. [Learn more](#) about our seller program.



Most Active Auctions

Get in on the action. View auctions with top bidder activity now in progress.






Top Categories

Find domains in the internet's hottest verticals from financial, education to sports.

Geo Domains






Get in on the hot local search market with geographically focused domains.

All Exclusive Expiring and Portfolio Domains—next 5 days

Mar 03  **Mar 04**  **Mar 05**  **Mar 06**  **Mar 07** 






Recently expired domain names and Portfolio domain names exclusive to SnapNames from top registrars or sellers, auctioning in the next five days.

All Deleting Domains—next 5 days

Mar 03  **Mar 04**  **Mar 05**  **Mar 06**  **Mar 07** 

All deleting names expected to begin auctioning within five days.

Top Registrar Domains:

Dotster  **directNIC**  **MelbourneIT**  **Moniker**  **Register.com** 

Research, Data...

Hundreds of thousands of domains are available right now that could be worth \$100,000. You just have to find the needle in the haystack. Not impossible. You just need a super magnet.



<u>Type</u>	<u>Feed Date</u>	<u>Domains</u>	<u>Download</u>
AVAILABLE	2011-03-02	51,359	Download
GODADDY AUCTIONS	2011-03-02	35,400	Download
NAMEJET PRE-RELEASE	2011-03-02	22,517	Download
PENDINGDELETE	2011-03-02	67,985	Download
RECAPTURED	2011-03-02	4,164	Download
REDEMPTIONPERIOD	2011-03-02	60,577	Download
REGISTRAR-HOLD	2011-03-02	12,939	Download
SNAPNAMES EXCLUSIVE DROPS	2011-03-02	14,615	Download
AVAILABLE	2011-03-01	47,800	Download
GODADDY AUCTIONS	2011-03-01	30,926	Download
PENDINGDELETE	2011-03-01	74,197	Download
RECAPTURED	2011-03-01	3,612	Download
REDEMPTIONPERIOD	2011-03-01	49,578	Download

The Stats don't lie!

65-80% of all traffic to tier-1 websites is organic

When someone types in a Domain searching for something its called Direct Navigation and it converts almost twice as well as a Google search for the same thing



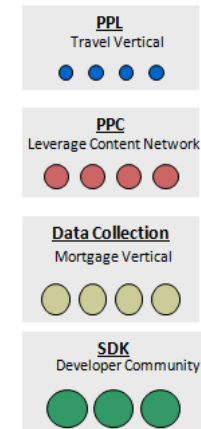
Monetization

When the searcher is purchasing, organic click-through generates 25% higher conversion rates than equivalent Pay-Per-Click. Popular monetization models are: Pay per click, pay per lead, redirect

Domain Portfolio



Example Frameworks



Developed
Portfolio
Maximizing
Value

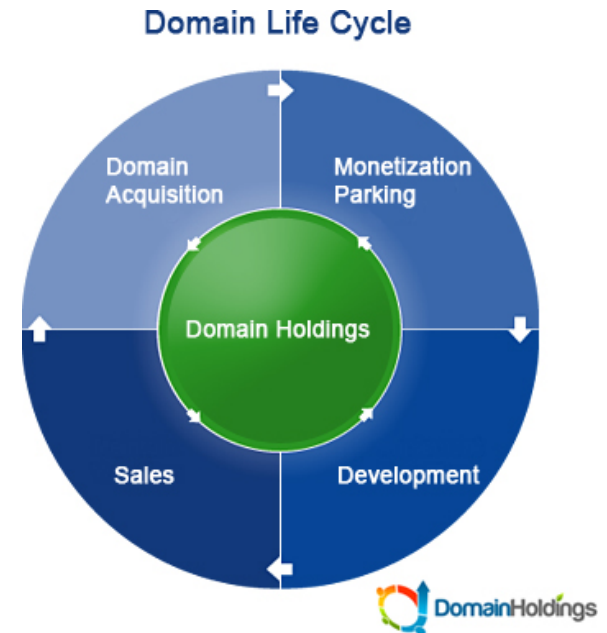
Life Cycle Management:

- Domain Acquisition
- Bulk Monetization
- Development
- Sales



Domain Holdings, founded by Chad Folkening and John Ferber, have created an award winning monetization platform: Rapid Domain Builder (RDB). We specialize in the full life-cycle of domain portfolio management--from acquiring domains and parking to development, and ultimately selling.

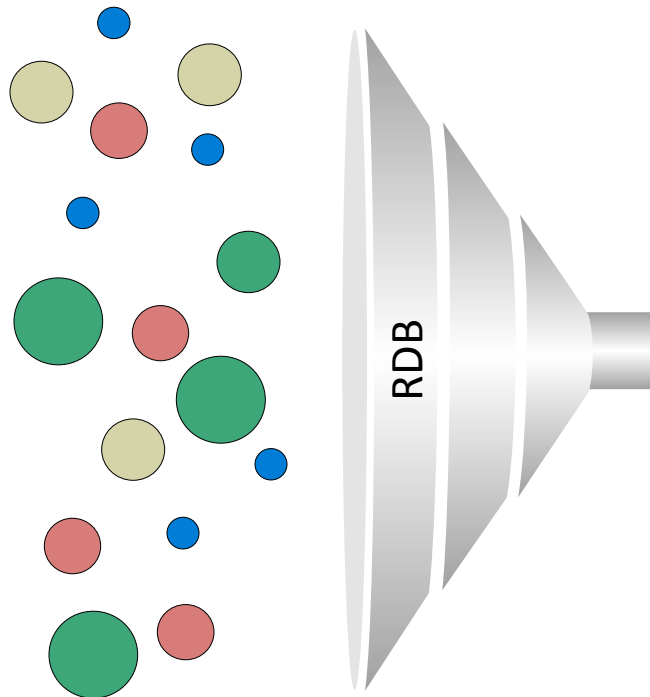
- Search Advertising
- Direct Navigation
- Parking
- Content Development
- Arbitrage
- Domain Acquisition and Sales



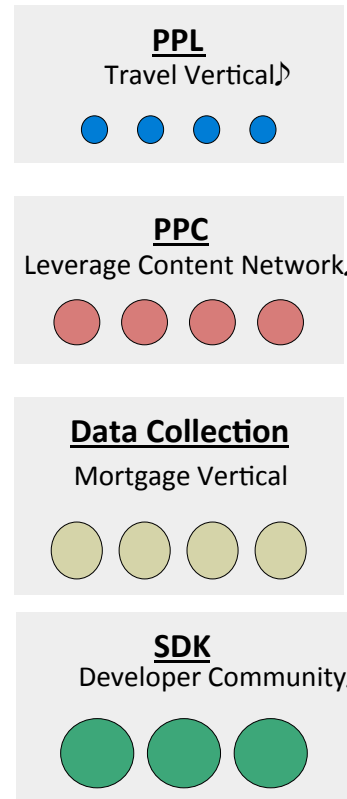
RDB Will Leverage Learning Algorithms As A Long-Term Competitive Advantage



Domain Portfolio

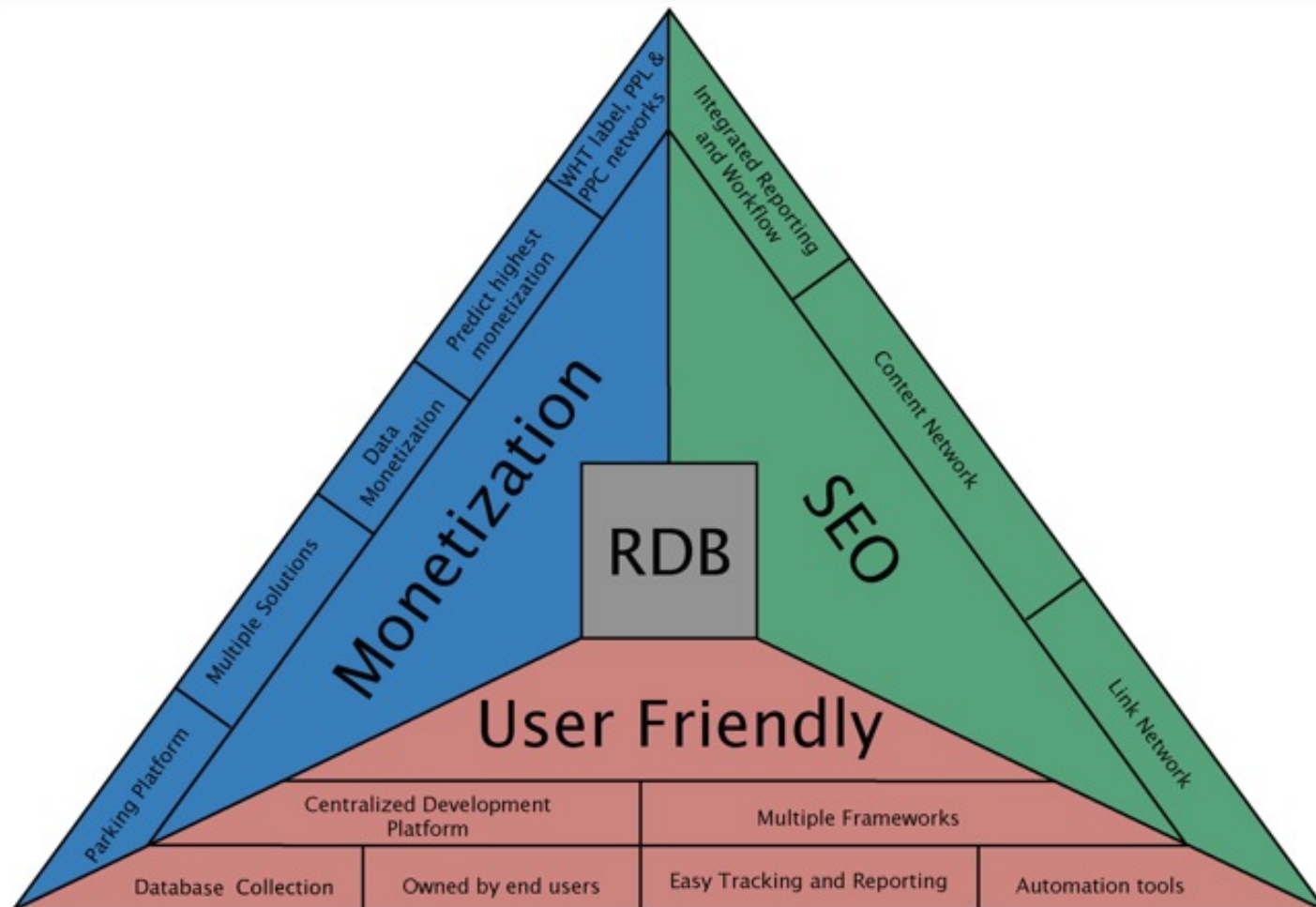


Example Frameworks



























































































































Developed
Portfolio
Maximizing
Value

Complete Solution Providers Will Win



Complete Solution Providers Will Win



	Scalable and user friendly Central Development Platform Multiple Frameworks Database Collection Owned by end users Easy Tracking & Reporting Automation tools Integrated Reporting & Workflow Content Network Link Network Parking Platform Multiple solutions Predict highest monetization Data Monetization WHT Label, PPL & PPC Networks													
 SmartName [™] <small>The Ultimate Domain Destination</small>														
 TRAFFIC														
 devhub														
 epik														
 WhyPark [™] <small>Growing Your Domains</small>														
 PreBuilt <small>DOMAIN MANAGEMENT SOLUTIONS</small>														
 OCTANE360														
 DomainHoldings														

Tech Demo: Multiple Frameworks and Site Development Options



Build An RDB Site

rapiddomainbuilder.com/framework/DynamicBuild

SEO Domain Research T... Competition Domain Developem... MEDICARE SCOOTE... HARLEY DAVIDSON ... Skimlinks :: Simplifie... iGoldrush: Domain ... Find Microsoft Partn... Other bookmarks

Build Sites

My Sites
SEO Tools
FAQ

Site Tags
All Sites
PPC (43)
education (18)
insurance (13)
shopping (12)
more...

DNS Information
Please set your DNS servers as the following:
ns1.dns.com
ns2.dns.com
ns3.dns.com
ns4.dns.com

SEO Tips
SEO tips and facts that will help drive your sites to the top of the engines.
more

Site Framework
Select the framework that suits your domain

PPL	PPC	News	ShoppingComparison
Great for education, debt, auto, insurance, travel, finance etc. more	Park your pages with the best most tested landers available. more	Create an Instant SEO News site. more	Choose between a Shopping.com or Amazon.com styled shop. more
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ShoppingCart	WordPress	Redirect	For Sale
Build a shopping site for your domain.. more	Create one or hundreds of blogs in minutes.. more	Create a domain which will be redirected to one of your domains.. more	Create a For Sale site that allows you to sell your domain.. more
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Pay Per Lead Settings

Domain [?](#) [bulk upload here](#)

Domain Name

Title [?](#)

PPL Templates [?](#)

3-Opportunity



The Domain space is wide open for the below reasons:

- Institutional investors and brands are showing more and more interest in the space
- It is believed that 300 plus new TLD's will be launched in the coming 36 months.
- Domain owners are aggressively seeking development solutions both platform and premium.
- Over 205 million TLD and less than 10% are developed
- Companies like Demand Media and Quinstreet are driving up the interest in the space with large purchases and IPO's
- There has been a lot of talk about domain development and acquisition funds as vehicles to drive more liquidity into the market.



The Future-Summary



Domain Holdings believes:

- Domain names will increase in value
- Developed domains will win in value and market share
- The landscape will become significantly more competitive
- Institutional participation will drive innovation
- Liquidity will be forced into the market to exploit all low hanging development opportunities.
- Advertisers are going to be more aggressive in trying to capture domain traffic. This will lead to more cooperation and better partnerships.



Closing



When asked by customers, investors and partners why I like this business the answer is simple:

- Ability to Scale and run an Enterprise Anywhere, Anytime.
- The Market- This is the most exciting market that I have had the privilege in which to participate. There is a lot of room for innovation and opportunity for all players in the space.
- The industry- The people in the domain world are friendly, fun loving and hungry and it makes for a great ecosystem.



Techniques



Deal Structures- Lease/option, Approaches- Straight Up, Brokers, Positions of Owner- i.e. sale, price?

Keyword Protection- Centre, Center, Plural..., Domain Sales Primary Source—\$30k mistake

Imprisonment Email (Case Law), - Dates, Guidelines, Case Studies

ComputersTv.com, ComputerTv.com, (utube.com, youtube.com), CertifiedService-MyCertifiedService.com (GM).





Your federal Trademark Notice

The undersigned, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. Section 1001, and that such willful false statements, and the like, may jeopardize the validity of the application or any resulting registration, declares that he/she is properly authorized to execute this application on behalf of the applicant; he/she believes the applicant to be the owner of the trademark/service mark sought to be registered, or, if the application is being filed under 15 U.S.C.

Section 1051(b), he/she believes applicant to be entitled to use such mark in commerce; to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive; and that all statements made of his/her own knowledge are true; and that all statements made on information and belief are believed to be true.- Show quoted text -

Resources



Drop List- Domaintools, NSI, Estibot, snapnames, Pool Keywords,

Domain Management – Moniker, Fabulous, Enom.

Broker Houses- BuyDomains, Aftermarket, Sedo, GoDaddy,

Development Systems - Domain Holdings and Rapid Domain Builder

Journals- DNJournal, TheDomains, Domaining.com

Escrows- Moniker and Escrow.com

Financing- Domain Capital- Terms- 60% of the appraised amount, 15% yr interest, 5 year Term.

Software- Watch my Domains- Softnik,
Moniker Name Catcher- DNware, Estibot,
Compete, Spyfu

Domaining.com

USPTO.gov



You can quote me:



“Concentration is a strategy for creating wealth. Diversification is a strategy for protecting wealth”

Chad Folkening- eCorp,
Domain Holdings: 317-414-3751



Find out more about me at [dnjournal.com](http://www.dnjournal.com)
<http://www.dnjournal.com/cover/2010/october.htm>