



Bring Back Two Dealers at Domain Name Fairs

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December 12, 2009

Two pieces of advice for whipping up live domain name auctions that generate healthy bids: Go double and make sure everyone's speaking the same language.

All right, I'll explain. *Go double*: Use two dealers at your conference. One holds its auction, then the other follows. Anyone attending the conference has two chances to get lucky.

Of course, just having more inventory on hand can attract more bidders. But the one-two approach works best if the two dealers offer pretty much similar wares to the same buyers. That way a bidder at the second auction can still buy what he or she came in the door wanting. Also, the second auctioneer will be able to use results from the first auction as a guide: low sales first time around, down go reserve prices for the second auction. (A neat trick that has won results in the art world, as we see in Don Thompson's [The \\$12 Million Stuffed Shark: The Curious Economics of Contemporary Art](#). Remember, though, that the reverse of this trick—that is, raising reserve prices after a strong first auction—has never been shown to accomplish a thing.)

Finally, two dealers spending money to publicize their presence at a given conference are doing a great deal to make that conference better known in the business media.

The two major domain-name fair dealers are [Moniker](#) and [Rick Latona](#), both of whom aim for the high-end market and offer similar goods. One of the major domain-name fairs is organized by the [TRAFFIC conferences](#). They started with Moniker as their dealer, then both Moniker and Rick Latona for one fair, and now just Latona.

Go live. Drama creates excitement, excitement creates more bidding. And a good auction at a domain name conference is indeed dramatic. An auction

at Sotheby's or Christie's is invitation-only, and the competitors take part as discreetly as they want. On-line, by phone, or through an anonymous representative at the scene, the bidders are able to take part without loss of prestige if they lose.

A live auction at a domain name conference is a different kettle of fish. The doors are wide open. Participation brings in considerable wealth signaling and machismo. Business can be its own kind of show business.

Speak the same language. It's about time we did some growing up. No, auction houses aren't our cup of tea—our secondary market does fine with the equivalent of a fair. (The art world also has its fairs for the secondary market, but that's alongside the auction houses.) But even if we don't go the auction house route, we can recognize the value of having all auction houses use the same terms to mean the same things. It's a matter of professionalism and credibility. Yet here we have Rick Latona posting a range of "reserve prices" that appears to be a set of appraisal ranges. And there we have Moniker saying "reserve price" when what it appears to mean is initial bid. High time for all parties to get their act together, most immediately by agreeing that given words have given meanings. For the success of a two-dealer auction fair, a seller needs to select the dealer that will best market the domain name. Otherwise, the seller should take it upon himself or herself to market the domain name to more than one entity.

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