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Dear Client:

Did you know Austin.com is not an official city site? The domain name is privately-owned and it was recently sold after being offered to the public for a princely sum.

Austin.com is not the property of the City of Austin, nor the Austin Convention and Visitor's Bureau, not even the Austin Chamber of Commerce. Some enterprising soul during the early days of the development of the Internet grabbed the rights to the domain name. **The site has been active, but apparently it has not been the money-maker the owner envisioned. So it went on the market with the asking price of \$700,000.** It was recently purchased by iEstates, LLC. The ultimate sales price was not disclosed.

How can Austin.com generate enough money to justify the sales price?

Advertising. If the site can generate enough viewers, advertisers who might want to reach those who are seeking info about Austin will part with the bucks to get their message across. Believe me, Austin has a very high, positive national profile, and is a city that is "hot" right now for visitors, investors and residents seeking a "cool" city that offers job opportunities, etc.

So, *Domain Name Wire* asked iEstates LLC owner, **David Wieland**, why he bought the site. His 4-part answer: 1) one of my **favorite cities**, 2) "cool factor," music/tech scene, and overall national exposure trending up nicely, making this a **growth play on a flourishing city**, 3) the only Top 15 city .com that **didn't have an optimized site**, and 4) it was the **only top 20 city for sale** to his knowledge. So what are Wieland's plans for the site?

"We've rebuilt the site to be more SEO (Search Engine Optimization) friendly and more pleasant to the eye, but **we're far from having a finished product.** We'll be adding a job board (and you'll start to see a lot of traditional advertising, e.g. billboards promoting the **job site Austin.com/jobs**) and some other nice functions. "While many city sites cater mostly to visitors, **our goal is to make this a site that appeals to residents and Austin-lovers alike.** We've also been reading about the success of offering email addresses and sub domains. We'll be exploring those."

Why is this important? **Austin enjoys a great reputation now and anything that appears to be "official" will have an impact.** To underscore the importance of domain names, check out the next item for how the UTSYSTEM just won a domain name battle that involved a porn site.

The University of Texas system has just won a battle over a domain name that included the name “UTSystem” that, when clicked upon, took the viewer directly to a hard-core, very graphic porn site.

You may recall some time ago, the powers-that-be authorized the establishment of .xxx as a web address. **The idea was to shove various Triple X-rated porn sites away from .com, etc., and onto an address that clearly was set aside for porn, .xxx.** This was a big deal as porn sites had proliferated greatly and were highly profitable because they attracted large numbers of viewers, though some porn sites today still use .com addresses.

But, as was the case in the early days of the Internet, **once the .xxx sites were authorized, would-be profiteers paid the small fees to “grab” names** that they didn’t necessarily intend to use, but hoped to profit from in one way or another.

According to *Domain Name Wire*, **one such site was UTSystem.xxx. The owner of that domain name forwarded it to sex.com, which is one of the hardest, hard-core porn sites around.** So when the web was searched for anything related to the University of Texas System, the .xxx site was one of those that popped up and, when clicked upon, the viewer got a certain type of “educational activity” that may not have been anticipated.

Obviously, the UTSystem took action to keep from being associated with this domain name. **The respondent demanded \$20,000 for the domain name. The UTSystem complaint was filed with the National Arbitration Forum and the UTSystem won its case.** (However, as recently as mid-week, if you clicked on the UTSystem.xxx domain, you were taken immediately to sex.com). By the way, the Arbitration Forum also ruled in favor of that venerable Baptist institution, **Baylor University, when the Waco school complained about a domain name of BaylorGirls.xxx.**

Speaking of universities, a key player in education decisions says there are three Texas institutions leading the race to join UTAustin, TexasA&M and Rice as top Tier 1 universities.

A Tier 1 designation helps each university attract top-flight faculty, more state funding and research grant dollars. **Eight emerging research universities in Texas are competing for the Tier 1 label** – Texas State University, UTSystem schools in San Antonio and El Paso, Texas Tech, University of Houston, UT Dallas, UT Arlington and the University of North Texas.

The Chairman of the Texas House Higher Education Committee, **Dan Branch**, said the **University of Houston, Texas Tech and UT Dallas, in that order, are the leading candidates to reach Tier 1 status.** California has nine Tier 1 universities, New York has seven and, right now, Texas has only the three – UTAustin, TexasA&M and Rice.

Apple is still jumping through the necessary bureaucratic hoops required by Austin, Travis County and the State. This slog is necessary for Apple to earn tax incentives for its proposed expansion that will create at least 3,600 new jobs. No problems, so far.

The ball is now in the Travis County Commissioners Court, following action by the Austin City Council 3.22.12. If both the city and county approve financial incentives, **Apple will be eligible to receive \$21 million from the state's Texas Enterprise Fund.**

County Judge **Sam Biscoe** has been quoted as saying Travis County will likely use the City of Austin's agreement as a starting point. In general terms, the County is trying to determine **how many jobs Apple must add (and on what timetable)**, how many of its employees must be **residents of Travis County** and the amount of money **Apple might invest in real property**. The county will likely set benchmarks for Apple to meet in order to qualify for the incentives.

The Commissioners Court is planning to discuss a draft of the agreement 4.3.12.

Meanwhile, California is still hemorrhaging jobs. One report says 300 firms may leave the not-so-Golden State this year (250 departed last year). And Texas will be a prime beneficiary.

The businesses will be **chased out of California** by “**high taxes, strict regulations and a stubbornly poor state economy,**” reports our friends at *Kiplinger*. “Texas, for example, charges neither a personal nor a corporate income tax, while California's personal income tax is among the highest in the U.S. Its corporate tax ... eighth highest.”

Kiplinger also points out that “**California's jobless rate is 2.6 points above the national average and the gap will continue.**” Other states that are the beneficiaries of California's business departures and job losses include Utah, Nevada and Arizona.

Speaking of businesses, a couple of reports are swirling around about American Airlines' future as it battles its way out of bankruptcy. American carries the 2nd most travelers at Austin's airport.

US Airways Group is reportedly talking with creditors for American Airlines about a possible merger. **US Airways indicated it hopes to complete a deal to take over American** prior to its exit from bankruptcy proceedings. However, British newspapers are reporting that **British Airways is considering buying a stake in American**, its partner in the OneWorld Alliance. If so, this would help American fend off any unwanted takeover attempts. American is in the midst of a period of exclusivity to propose a reorganization plan to move out of bankruptcy.

A longtime Washington Democratic operative turned pundit says Texas Gov. Rick Perry achieved “career redemption” last week following his fizzle-out presidential campaign.

And it was due to remarks Perry delivered at the 127th anniversary dinner of Washington’s Gridiron Club & Foundation’s laugh-fest, where political figures roast each other and themselves. Political analyst **Mark Shields** said speakers often use self-deprecation “as an excuse to turn caustic or partisan – he (Perry) never did. He was bigger.” Examples:

“I can’t tell you what a relief it is to be on a stage with just one podium [laughter]. The Gridiron’s the only time that politicians and journalists can get together for some light-hearted silliness — well, I mean, other than the debates!”

“Y’know it’s weird standing next to **Mitt Romney** on the debate podium. I kept waiting for him to say, ‘**Pardon me, do you have any Grey Poupon?**’ I like Mitt – as much as one really good looking man can like another really good looking man – and not break Texas law!”

“So with all my gaffes, people forgot I once led the Republican primary. It was the most exhilarating three hours of my life! Well, listen, here’s the hardest part for me: **The weakest Republican field in history – and they kicked my butt!**”

Perry continued: “I don’t know why I didn’t do better: governor of a big state, former military pilot. **I graduated from Texas A&M with a degree in animal husbandry.** [laughter] Maybe that was the problem: animal husbandry. That sounds like what **Rick Santorum** thinks gay marriage leads to!” And his clincher: “After what I’ve been through, our motto is, ‘y’know, if you can’t laugh at yourself – well, there’s always **Herman Cain.**”

Don’t know if you noticed at the top of this newsletter, it read “Volume 34, Number 1.” This edition marks the beginning of our 34th year of writing, editing and publishing this newsletter. (Whew, that’s a lot of weekly deadlines!) Just want you to know we appreciate your subscription that allows us to share insights and perspectives with you. Thanks!

Sincerely



Editor/Publisher