

Dr. Jack M. Wilson

Distinguished Professor of Higher Education, Emerging Technologies, and Innovation

Google



Founding Google

- Co-Founders Larry Page and Sergey Brin meet as students at Stanford in 1995
 - They launched a search engine on the Stanford servers in 1996 called BackRub
 - eventually takes up too much bandwidth
- Google.com registered as a domain name on September 15, 1997
 - Play on the word “googol,” a mathematical term for the number represented by the numeral 1 followed by 100 zeros (10^{100})
- Three Angel Investors make investments of \$100,000 to \$250,000 each.
- Google files for incorporation in California shortly after that time.



Angel Investors include

- Sun co-founder Andy Bechtolsheim
- Amazon.com founder Jeff Bezos,
- Stanford University computer science professor David Cheriton, and
- Entrepreneur Ram Shriram.

How Google Evolved

- Begin working from their dorms at Stanford
- Set up workspace in a garage
 - Their first employee was a fellow computer science grad student, Craig Silverstein
- Outgrew their garage, and moved to bigger office space Palo Alto with 8 employees
- Urs Holzle joins the team as Senior Vice President of Operations
- Omid Kordastani joins to run sales
 - Steps down after 10 years to become Senior Advisor
- Eric Schmidt is named Chairman of the Board of Directors
 - Two months later becomes CEO until Larry Page reclaims title in 2011



Role of Each Key Team Member

- Larry Page – CEO and Co-Founder
 - Day-to-day operations
 - Product development and technology strategy
 - As first CEO until 2001, grew the company to 200 employees and profitability
 - President of Products from 2001 to 2011
- Eric Schmidt – Executive Chairman
 - As Executive Chairman, responsible for building partnerships and broader business relationships
 - Advise the CEO and senior leadership on business and policy issues
 - Served as CEO from 2001-2011, helped grow Google to global leader in technology
 - Diversified product offerings while maintaining innovative culture



Role of Each Key Team Member

- **Sergey Brin – Co-Founder**
 - Directs special projects
 - From 2001-2011, served as president of technology
 - Shared responsibility of day-to-day operations
- **David C. Drummond – Senior Vice President, Corporate Development and Chief Legal Officer**
 - Served as Google's first outside counsel, worked with Larry and Sergey to incorporate the company and secure its initial round of financing
- **Patrick Pichette – Senior Vice President and Chief Financial Officer**
 - Nearly 20 years of experience in financial operations and management in telecommunications sector
 - Only Executive Officer with a bachelor's degree in business



Motto: 'Don't be Evil?

- In spite of their best effort they often found themselves in conflict.
- Conflict with the Church of Scientology
 - Lawyers requested Google stop linking to an anti-Scientology site called Operation Clambake
 - Claimed the site displayed copyrighted Scientology content, by providing links to the information, Google was in violation of the Digital Millennium Copyright Act
- Verbal attack by Anita Roddick, British founder of the Body Shop, after Google removed a text ad for her site
 - Roddick called actor John Malkovich “vomitous worm” in her blog, violating a Google policy against accepting ads for sites that are “anti-” anything



Government actions to restrict Google

- The Chinese Government shuts down access to Google's site due to political concerns
- Google filtered its servers to block users in Germany, France, and Switzerland from accessing sites carrying racist material
 - No one at Google would comment on their actions

Response from Google

- Google complied with the law without letting the Scientologists erase their critics from the internet
 - They substituted a link to a form on the Chilling Effects' site that contains the web address to the page
- Chinese authorities restored access to the site, but with new filtering technology to block results of certain searches
 - Redirected to blank or government-approved sites
 - Blocked from access to Google for a couple hours
 - Google left China in 2010.
 - They are negotiating a return on 2017.
- Brin proposes compromise with Anita Roddick
 - If she removes her negative comment, he'll put her text ad back
 - She refuses, he sticks to his principles

EU Fines Google Record Amount -\$2.7 billion

- European Union regulators fined Google a record €2.4 billion (\$2.7 billion) for an antitrust violation,
 - the latest legal challenge to American tech companies doing business in the region.
 - The European Commission claimed that the U.S. tech giant denied "consumers a genuine choice" by using its search engine to unfairly steer them to its own shopping platform.
 - Regulators said that Google must change its behavior within 90 days or face additional penalties.
 - Google continues to fight this legally
 - The EU is also investigating them for Android restrictions and other items.

Questions for the class:

- How did each team member bring his own culture and talents to Google?
- Do you feel that Google maintained its focus on "don't be evil" in addressing the potential censorship by Scientology, restrictions from the Chinese Government, creation of a digital library of books, and interactions with the NSA?
- Why do you think they picked Eric Schmidt as the CEO?
- Do you agree with the EU claim that they illegally steer buyers to Google sites instead of others?
- What do you see as the next set of big challenges for Google?

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