

From: Salar Kamangar [REDACTED]
To: Jeff Huber [REDACTED]
Sent: Wed, 1 Feb 2006 14:23:12 -0800
Subject: Fwd: Youtube, Yahoo, Pure Digital video communities

fyi -- if you have any thoughts on this let me know, but i want to be aggressive about deals that make google the default place to store photos and videos.

--salar

----- Forwarded message -----

From: Susan Wojcicki [REDACTED]
Date: Feb 1, 2006 12:35 PM
Subject: Re: Youtube, Yahoo, Pure Digital video communities
To: Peter Chane [REDACTED]
Cc: Hunter Walk [REDACTED], Jennifer Feikin [REDACTED], Nikhil Bhatla [REDACTED], Jeremy Doig [REDACTED], Sean Dempsey [REDACTED], Cosmos Nicolaou [REDACTED], David Jeske [REDACTED], Salar Kamangar [REDACTED]

salar is interested in pursuing or finding out more so lets bring them back to talk,

susan

On 2/1/06, Peter Chane [REDACTED] wrote:

> More details on this oppty (and adding Salar). I talked to Jonathan their CEO this morning:
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> - If we pass the deal will go to Yahoo or Youtube. Yahoo wants to create a Yahoo branded camera and have a Yahoo video storage service on the backend. Youtube wants to use the deal to add more users to their service (their goal is to make a MySpace like service but focused around video).
>
> - Pure Digital estimates 10-20M videos uploaded in the first year; 2-4x that if we do a Google branded camera. Most of the videos are 30sec-2mins long and shot my consumers mostly mom's.
>
> - They are ok if the videos are private for 30 days and then are either converted to public or are purged from our system. They dont care about DVD burning; private is the only key feature requirement for them.
>
> - Looking for a 2 yr deal with an upfront payment to Pure Digital in the millions of dollars.
>
> Send any more thoughts in email about your thoughts on this deal. I'll schedule a quick mtg to discuss.
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> P.
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> On 1/27/06, Hunter Walk [REDACTED] wrote:
>> Pure Digital relationship is a great strategy for Flickr of Video, but that doesn't seem to be our initial vision. We're focused on videos that have some broad public good, more so than hosting everyone's personal video content (caveat that i can't always tell you where the dividing line is between the two). All i

know is that video with broad public interest is likely to not be exclusive to any one service - i.e. if I've made a great travel video I'm going to post it to Yahoo, Google, whatever video service in order to maximize distribution and monetization.

> >

> > WRT YouTube, i'm just not as bullish about buying them for their community. They have a great set of tools, but i think their community is based on the popularity of video identified by David, 2/3rds of which could not exist within Google Video today. YouTube's value to us would be a smart team and a platform we could build from (maybe enough to justify an acquisition on its own), but would we really be able to preserve their community once we start reviewing and pulling copyright or inappropriate content? If anything, that's likely to cast a poor light on Google.

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> > hw

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> > On 1/27/06, David Lee [REDACTED] wrote:

> > > i'm not convinced that youtube won't sell. although they're not interested in a quick flip i think they'd be open to listening to what we could offer and how we could help them achieve their vision and objectives. we'd have to sell it to them, though.

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> > > On 1/27/06, Peter Chan [REDACTED] wrote:

> > > > Youtube isn't up for acquisition; they want to get to the \$500M+ MySpace valuation before selling. Until then I'm trying to figure out a way for us to work with them (Jeske I want to introduce you to the team there).

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> > > > Our primary objective with video is to get more of it online. It comes online for multiple reasons. Some like CBS/NBA comes online with distribution/monetization. Other content comes online if there's a community around it.

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> > > > I think Google needs to support both models although it's not clear that the Video team should build both.

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> > > > P.

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> > > > On 1/27/06, Jennifer Feikin [REDACTED] wrote:

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> > > > > thx peter. i think before we do deals with puredigital or youtube, we first need to have a clearer strategy of where we're headed. what are our plans to host both premium and uploader content in a way that works for both groups, and for users seeking each? then i think we should acquire youtube, but pass on the pure dig deal. here's why...

> > > > >

> > > > > to date, our mission has been to host all video. we've gotten push back from users and content owners that you can't find the premium content, and that they'd like to see the premium content separated. the community of uploaded content could work as a separated sort of world as well, with rankings, community features, etc. so how will we address each type of content, what community features do we want to have for each, and UI, and how will we combine the two in one product yet keep them separate enough to meet all these needs. they are different experiences -- one is about purchasing, one is about community/coolness/sharing with friends, etc.

> > > > >

> > > > > the group's overwhelming concern when we first talked to pure digital a while back was that we'd be innundated with a lot of home video. then we'd really be the world's largest home video site, as eric likes to say. 2M videos a year on top of our current 350K videos makes us have a lot of home videos.

>>>>

>>>> i think perhaps a better route to take would be quickly figure out the strategy of how to work with both types of content in the ideal ways, and then to acquire youtube. youtube has some great community features and they are ahead of us in the area of community. they'd supply us with the community and UI they've built, and we'd supply them with audience and scale. then, if they do a deal with pure dig, we'll get it anyway.

>>>>

>>>> i'd be inclined to pass on the pure dig deal right now (also b/c we don't have a private log in or sync right now, and our engineers need to focus on other major product issues right now). but i'd pursue an acquisition of youtube. and set a clear strategy of how we will keep these two worlds of premium and uploader somehow separate but together.

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>>>> thx

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>>>> On 1/26/06, Peter Chane <[REDACTED]> wrote:

>>>>> Pure Digital is the company that makes the disposable and one time use video cameras sold at retail. I ran into their CEO today and he said they are close to signing a deal with Yahoo or Youtube to host their videos. They prefer to work with Google Video but we've been lukewarm on the idea to date. I have a feeling that a deal is imminent. At their current sales rate their users will generate about 2M videos a year (our index today is about 350k). Not sure how many of the videos from Pure Digital users will be public vs private.

>>>>>

>>>>> Pure Digital is responsible for 15% of the video cameras produced in the world right now. Over time they expect that their technology will be in every still camera manufactured. Today the cameras are sold to individuals not professionals.

>>>>>

>>>>> We need to decide if we want to do this or not. If we do it we'll need to build features to support sync from these cameras to Google Video. And we'll need to support a private video with invitations to others users who can view the videos.

>>>>>

>>>>> I feel this deal is very compelling for a video site that is community based (youtube and what yahoo is building). We're planning adding community features but what Pure Digital needs is a step beyond what we're planning in q1. However a deal like this seems like a powerful way to kickstart a Google Video community. If we pass on this deal we could always index the content via RSS feeds from Yahoo or Youtube but we'll miss out on the community building.

>>>>>

>>>>> I'd like to understand what folks think about this oppty.

>>>>>

>>>>> Thx,

>>>>> P.

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>>>>> Peter Chane

>>>>> [REDACTED]

>>>>> Senior Business Product Manager

>>>>> Google Video, <http://video.google.com>

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