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Bill Gates  
Microsoft

## [Gates Says It's the People as Microsoft Prepares to Replace Directors on Yahoo's Board](#)

### *Microsoft's Chairman downplays cultural differences*

Ever since Microsoft fathered its People Ready vision, the company has stuck to the leitmotif of the people being the most important resource in any company. So why should things be different for Yahoo? Well the truth of the matter is that they aren't. On February 1, 2008 Microsoft went public with an acquisition proposal for Yahoo estimating the company at \$44.6 billion. Microsoft Chairman Bill Gates did give his blessing for the deal that is essentially the brainchild of Chief Executive Officer Steve Ballmer, and explained that the Redmond company is willing to go into debt for the first time in its history for a takeover that is about fresh blood more than anything else. If this is the case, then engineering talent does by no means come cheap for Microsoft. Of course that, along with a workforce estimated at 14,000, Microsoft will also get the complete Yahoo package, from products, to services, to the loyal advertisers and audience, and to the market share on the online advertising and search markets. But Gates choose to point to the people as the main Yahoo asset that would help [Microsoft get closer to Google](#). Gates underlined that the tools, programs and services associated with advertising, search and online platforms require consistent manpower. "The amount of computer science it is taking to do that is phenomenal. As you get more scale of engineering you can just pursue that agenda more rapidly. Yes, the advertisers and the number of end users is good, but we'd put the people and the engineering as the key thing," Gates stated as quoted by [Beyond Binary](#). There are indeed major differences in the corporate cultures of the two companies. However, Gates downplayed the cultural speed bumps that might cause Yahoo's top talent to gear towards Google instead of marching over at Microsoft. The Redmond company has also debuted a proxy fight with Yahoo, aiming to replace the current members on the Sunnyvale-based Internet giant's Board of Directors that have answered no to the \$44.6 billion marriage proposal arguing that it undervalues the company. By March 13, Microsoft will try to cut down the opposing directors loyal to CEO Jerry Lang and place new, more favorable, members on the board, in [an effort to turn no into yes](#). "Yahoo wants to do breakthrough software. The engineers there want to compete very effectively against Google or any other thing that comes along, so I don't think there is really a different culture. If Yahoo had gone the direction of just being a media company and not said that software innovation was important to them then no, there wouldn't be that intersection because we're about breakthrough software. Jerry Yang to his credit has kept a lot of very top engineers that have been just doing their work and improving those things. That's why we see the combination as so powerful. It involves breakthrough engineering. We think the combination with Yahoo would accelerate things in a very exciting way because they do have great engineers and they have done a lot of great work," Gates said.