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[Microsoft Looking to Buy Yahoo Search](#)

Google is reported to block such a move

The [Microsoft and Yahoo acquisition](#) saga continues after the Redmond company revealed that it was exploring alternatives designed to help it solidify and increase its shares of the online search and advertising markets. On May 18, Microsoft made public its intentions to acquire a part of Yahoo, but not the entire Sunnyvale Internet giant. Until that point, Yahoo had had an offer of approximately \$50 billion on the table in order to say "I do" to a Microsoft marriage. The current Yahoo Board of Directors led by Chief Executive Officer Jerry Yang, wanted Microsoft to go as high as \$37 per share, namely in the vicinity of \$55 billion. As of May 3, 2008 CEO Steve Ballmer announced that Microsoft was officially withdrawing its \$44.6 billion unsolicited takeover bid and that it wasn't going to pursue an acquisition any longer. As a consequence of the announcement the Redmond company failed to debut a much anticipated proxy fight to replace Yahoo's Board of Directors. But at the same time, Microsoft simply initiated new [negotiations](#). According to sources familiar with the situation, cited by [Reuters](#), the Redmond company is looking to get its hands just on Yahoo's online search and advertising business. Such a move would make more sense for Microsoft, as the main impediment of a complete merger were the two companies overlapping services and products across all areas from instant messaging to mail, which would have had to be melted together. The Redmond giant is also reported to acquire a minority stake in Yahoo, as the Sunnyvale company is expected to sell portions of Yahoo Japan and China's Alibaba. Neither company has issued an official statement at this point in time to either confirm or deny such a scenario and apparently the new offer was simply discussed, with nothing set on paper as of yet. By partnering with Yahoo, Microsoft would keep Google far from some 20% of the search engine and online advertising market. Yahoo and Google have also timidly attempted a partnership, via a two-week test of the Mountain View-based company serving test ads in parallel with Yahoo's search results. Apparently, Google and Yahoo are still discussing a partnership that would lock Microsoft out. In the light of the new negotiations between Microsoft and Yahoo, Google co-founders Larry Page and Sergey Brin were reported to meet with Chief Executive Officer Eric Schmidt in order to discuss a way of stopping the no. 2 and no. 3 of the search and advertising markets from joining forces.