

19 November 2007

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[Microsoft Out to Buy Yahoo! Once Again](#)

To believe or not to believe the rumors - that is the question

It's not official, but it's from an official statement. It's not what Microsoft said but what the Redmond whale implied that gave the rumor water to grow. First there was a Microsoft executive that outlined the plans for the company to improve its online search market share from about 10 percent to about 30 percent. Then came a former Wall Street analyst who said that that wasn't going to happen on its own and that a buyout is in the brewing. And unlike the biblical way of things going, then there was no light. Just gossip and speculation. Even though they have invested immensely in its Online Services Division (OSD) it only goes up by about 25 percent every year as opposed to the previous. And the 6 billion USD spent on acquiring digital services agency aQuantive did not pay back with a really noticeable boost in revenue. The OSD is currently loosing about 1 billion \$ a year. According to site analytics Compete, the online search market share in September was of about 9.2 percent for Microsoft, 19 percent for Yahoo and 67 percent for Google. Adding the first two figures would result in a number close to that predicted by the Microsoft executive, wouldn't they? That's where the rumors started off. Henry Blodget, the former Wall Street analyst noted that the Redmond giant is now closer to striking rich in the online market than it was 12 years ago when it started. "How could Microsoft actually achieve the goals Kevin Johnson laid out?", he asked in his blog. "There's only one answer: Buy Yahoo. Buying Yahoo would give Microsoft 30 percent search share instantly." On the other hand, the possible acquisition would be a disaster for Yahoo!, which is currently having enough problems competing with Google by itself. The response to these rumors came really fast: Yahoo!'s shares closed up nearly 6 percent on Friday, the same day the possible buyout was first mentioned.