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Fend for yourself, Yahoo!, says Rupert Murdoch

## **News Corp Out Talks, Yahoo! Looking Scared**

### *Microsoft takeover closer?*

The seemingly never-ending story of the bid over Yahoo! that Microsoft so generously made has seen another chapter come to a close, and by the looks of it, it's among the last chapters in the book. After exploring different alternatives that would benefit shareholders more than the MS alternative, which Jerry Yang is completely poised on refusing, given a lifeline, one of the two possible saviors has announced that it is leaving the stage. Fight the lions over your beliefs, Yahoo!, said Rupert Murdoch. Those were not his exact words, but the point coming across is clear as daylight. "We're not going to get into a fight with Microsoft, which has a lot more money than us," Murdoch told investors at the annual Bear Stearns media conference, according to a report from Reuters earlier today. The Sunnyvale-based company's only alternative that had the rumor mill treading heavily is now Time Warner, but that would mean a merger of technologies with a dying product, nothing Yahoo! would jump head on willingly. Then again, these are not what one might call usual circumstances. Speaking of technologies, some difficulties might come up, should the acquisition be completed, Microsoft's chief software architect, Ray Ozzie, highlighted for the Financial Times late last week. Despite some immediate benefits, merging the backbones of the two companies, both pioneers, in Internet software, would not be a positive aspect. "I'm not in any way unrealistic about the challenges that would confront us. They have a number of different types of technologies. They have their own corporate culture," he said. He based his idea on Yahoo! being a mixed bag of technologies, a large proportion of them running on open source or Unix software. Take a guess at what MSFT is using, and if your pick was in-house products, you were right. I see a major problem there, one that might take years of transitioning to bring affairs to the date. To this date, not the one then.