EXHIBIT 23

GoTo Hell   http://www.ocweekly.com/ink/archives/97/27byte-3.11.98-1.shtml

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*What happens
when an online
search engine
accepts cash from
Web sites?*

By Wyn Hilty

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Are your eyeballs for sale? The search engine GoTo.com thinks
so, and its approach is generating a bit of controversy on the
Internet. Traditionally, search engines have used a mathematical
algorithm that counts keywords to rank their results (like
AltaVista and Lycos) or the more human touch of an editorial
staff sorting through thousands of Web sites (like Yahoo!). But
Pasadena-based GoTo has come up with a radically different
method: he who coughs up the most cash wins.

"With the algorithm Lycos uses, you just get too many results
for one search term," explained GoTo CEO Jeffrey Brewer. "The
Yahoo! model is editorially constrained by constantly reviewing
sites. We're the first search engine that is going to utilize a third
way-the free market."

In the GoTo model, businesses bid for placement in the search
results from a query. The results are ranked with the highest
bidders first, followed by the most popular sites (determined by
user polls) and then by the common rabble of non-paying sites.
So, for example, a search for "sports" turns up four businesses
willing to pay 5 cents apiece for each pair of eyes that goes to
their sites (advertisers on GoTo pay only for "click throughs," or
actual visits to the advertised site). GoTo claimed in a press
release that this market approach "removes the confusion of
Internet searches by enabling consumers to find what they're
looking for faster, and [allows] Web sites to reach targeted
consumers in the most efficient way."

My search on GoTo for "orange county," however, turned up
some rather dismal results: seven out of the first 10 listings had
nothing to do with OC. I got sites dealing with Alachua County
schools, the LA County library and the National Orange Show
Events Center in San Bernardino. Brewer pointed out that none
of those sites were paying advertisers and said my disappointing
search results simply highlighted the problems inherent in
algorithm-based searches like those used by Lycos. But the same
search on Lycos turned up news articles on OC, local real-estate
listings and so forth-a perfect 10 out of 10. And searching on
Yahoo! brought up a treasure trove of sites devoted to OC,
including government sites, businesses and online guides to the
county. Even the paying sites on GoTo occasionally seem out of
place. My search for "sports" brought up shopping.com, an
online mall.

Leaving aside the question of whether GoTo.com lives up to its
billing as a more efficient search engine, its capitalist emphasis

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is arousing some antipathy among traditionally free-spirited Netizens. "We've encountered some resistance," Brewer admitted. He ascribed much of the opposition to an experience Netizens had two years ago with a search engine called Open Text. Like GoTo, Open Text offered companies the opportunity to pay for a higher ranking in its search results. But, according to Wired News, after customer complaints, Open Text dropped the pay-for-placement plan.

"We've been compared to Open Text," Brewer said. "But the difference is they weren't open about it. They were selling placement without telling consumers. We're doing the opposite. We want you to know how this model works. You could challenge the model, but you can't say we're being dishonest. People confuse the honesty issue with the anti-commercialism sentiment currently on the Net."

Indeed, GoTo is quite upfront about its pay-for-placement strategy-one might even say brazen. Next to each listing in its search results is the amount of money the advertiser is paying for a click through. No one could argue it's trying to deceive its users about how it ranks its results. And advertising is nothing new to search engines; Yahoo!, for instance, reaps millions from banner ads and partnership deals with other companies to display them prominently on their pages. But those ads are entirely separate from the search results.

Brewer argued that GoTo's more capitalist approach is better-suited to an increasingly commercial Internet. "For certain categories, there are an increasing number of companies on the Web that are trying to educate consumers about things you can buy in the outside world," he said. "There's also a whole other group of companies interested in selling online. As those products and services become a bigger component of the Web, I think our model becomes much more viable. People are looking for things like that more than what the Web is traditionally known for, like library or reference materials."

Brewer was at pains to point out that GoTo wasn't trying to exclude noncommercial sites. But Bill Gross, chairman of GoTo's parent company, idealab!, took a more antagonistic stance. "The GoTo model recognizes the dramatic shift that has taken place on the Internet since its inception. No longer an egalitarian playground for the tech-savvy community, it has become the focus of corporations and invaded by the masses," he said.

Wresting control of the Internet away from insular eggheads and tailoring it for mass consumption has become a rallying cry for corporations over the past couple of years-ever since they realized it was possible to make money online. Gross' comments might remind you of an ad IBM ran a while back featuring comedian Denis Leary stalking around like an irritated panther and sneering at all the things people could do online-with the implication being that everything people had achieved on the Internet thus far was worthless because it didn't earn any money. That attitude tends to irritate die-hard Netizens who don't really

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mind if someone wants to sell stuff online but resent being told
that fan pages, chat rooms and Star Trek jokes are unimportant
because they're not profitable. Value is not always measured in
cash.

Except, of course, that GoTo thinks it does. Implicit in its
pay-for-placement model is the assumption that if a company is
willing to shell out cash for a higher search ranking, it must be
just what consumers are looking for. And I'm not sure that
assumption tracks.

Tell Wyn what she's worth at whitt@sprynet.com.

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