

Google  
Annual Report 2007

c. Design your dog a brand new house. Say "hello" in Japanese, French, German, Spanish, Portuguese, Russian... Find the best donuts in San Francisco. Read the classics without cracking a book. Look up complicated words like "argonaut" in several dictionaries at once. Get up close and personal with the Crab Nebula. Divide 27,334.56 by 21.3 minus the calculator. Call anywhere on the world from your computer, free, and talk as long as you like. Gas up for less. Open an important document, even though you're 500 miles away from your computer. Chat live with visitors to your blog. Automatically save every draft of your novel-in-progress. Send website content straight to your phone. Comparison different stores or websites. Find out when that movie you've been dying to see is playing. Track a package. Start the world's first ever runt Sculpin enthusiast mailing list. Get your 1:15 of fame on YouTube. Read a newspaper written in a language you don't speak. Turn a document into a PDF and email it, all from your homepage. Read the original patent for Orville Wright's "flying machine." Display your latest road-trip photos on a map of where you took them. Search the web via text message. Take the road less traveled without getting lost. Add your favorite sports team to your calendar, and receive reminders when it's playing, so you never miss a game. Make a map of your neighborhood to share with out-of-town guests. Find the pizza parlor closest to you right this minute. See the giant pink bunny in Italy. Translate your website from English into 13 languages with a single line of code. Get unstuck. Clip and save

#### INTRODUCTION

It is amazing to me that it has been nearly ten years since Sergey and I founded Google. When we went public, we promised to write a yearly founders' letter in a frank style to keep all of you updated on our progress. We've taken turns writing the letter, and this year that responsibility falls to me.

We have seen our company scale tremendously, to more than 17,000 employees in 20 countries worldwide. But what's even more amazing to me are the possibilities that appear before us—close enough to envision, but important enough to inspire our best efforts. I'm excited and hopeful we will continue to make progress in a wide variety of significant areas. I'm also happy to report that Sergey, Eric, and I continue to work together fabulously. I feel very lucky to be working with them and with our whole growing team (growing mostly just in numbers, despite our excellent food).

Speaking of our team, I wanted to give our deep thanks to George Reyes, our retiring chief financial officer. He has served Google extremely well. I also could not be more grateful to our users, customers, Googlers (our employees), and investors who help bring everything that is Google to life.

I will try to keep this letter relatively short, but I want to cover a lot of ground. I figure if you are interested in a particular area, you can just use Google to get more depth.

#### STILL SEARCHING

Search is a really hard problem. To do a perfect job, you would need to understand all the world's information, and the precise meaning of every query. With all that understanding, you would then have to produce the perfect answer instantly. We are making significant progress, but remain a long way from perfection. We're so serious about improving search that more than a third of our people are working on it. Another third work on advertising. We have dramatically improved our understanding of all the different languages, the meanings and synonyms of words, and the many different types of specialized information such as businesses and products. We continue our effort to extract more and more real meaning from the web in order to help people find the right answers. We recently improved universal search, integrating different types of relevant information, such as video, maps, news, books, images, and more, right into your search results.

Sometimes you don't get a good answer to a search because the information simply isn't available on the web. So we are working hard to encourage ecosystems that can generate more content from more authors and creators. For example, we recently announced an early version of a tool called "knol" to help people generate and organize more high-quality authored content.

Systems that facilitate high-quality content creation and editing are crucial for the Internet's continued growth. Our AdSense program also helps the content ecosystem by letting any author or publisher instantly make money by inserting Google-brokered ads into their pages. This helps them pay people to write more great content in a virtuous and profitable cycle for everyone.

In all of these efforts, of course, the trust of our users is paramount. We simply will not bias our search results for financial reasons. Our ads are separated from the search results and clearly labeled. We believe strongly in maintaining the integrity of search.

I'm happy to report that we have a tremendous number of ideas to further improve search. Just about every week, we implement a new (and often clever) improvement to our basic search system. We will continue to work very hard in this area for a long time to come.

#### ADVERTISING

Advertising is even harder than search. Not only do you have to find the right ad for every situation, but you have to handle paying customers! We have developed very sophisticated advertising systems designed to benefit both users and advertisers. For users, we strive to produce relevant advertising as good as the main content or search results. For advertisers, we provide tools to target and tune their advertising and accurately measure the results of their spending. Just as with search, we devise new clever improvements to our advertising system nearly every week. Fundamentally, every advertisement you see from Google results from a real-time auction conducted among advertisers. Imagine if we had a real auctioneer, how breathless and tired she would become!

Our advertising system works well, but we still have tremendous opportunities to improve it. For example, I just did a search for *natural swimming pool*, which returned eight righthand-side ads, with only the last two of those somewhat relevant. This is both good and bad news. The good news is that we have enough breadth to have some relevant ads for an unusual topic. Furthermore, it is certainly possible to produce more relevant ads that would be valuable to both the user and the advertiser. Also, a user interested in natural pools is probably worth a considerable amount of money if there is enough competition among advertisers to bid up the auction price. The bad news is that we aren't doing a good enough job yet for this *natural pools* query and many others. We also happened to have a number of local pool suppliers advertising in the San Francisco area for this query. Locally targeted advertising is another important area for us to grow both in revenue and relevance.

This general problem of ad targeting is very difficult and requires cooperation from huge numbers of advertisers. We continue to make significant progress on this challenging but exceptionally worthwhile problem. Sergey and I spend an action-packed hour nearly every week reviewing the noteworthy changes to the ads system.

70-20-10

We are still keeping to our long-standing plan of devoting 70% of our resources to search and advertising. We debate where we should classify our Apps (Gmail, Docs, etc.) products, but they currently fall into the 20% of resources we devote to related businesses. We use the remaining 10% of our resources on areas that are farther afield but have huge potential, such as Android. We strongly believe that allocating modest resources to new areas is crucial to continuing to innovate. This 10% of our resources generates a tremendous amount of interest and press, precisely because these projects are different and new. Often, we find small teams of only a few people suddenly command huge attention worldwide. That's useful to keep in mind as you read about Google—the vast majority of our resources are working on our core businesses: search and advertising.

Of course, the needs of the 70% projects are different from the needs of the smaller 10% projects. While I would like to report we understand how to structure these perfectly, we are still actively evolving how we create, manage, and compensate these different kinds of projects. This is a crucial area of focus as we work to recruit and retain the best people, and keep them really happy, organized, and productive.

#### ACQUISITIONS

Throughout our history, we have acquired more than 50 companies. Our goal is to be the best home for amazing companies that want to be acquired. We acquire companies in all different stages of development, but I will cover some of the larger deals here. We acquired YouTube a bit more than a year ago, and it has been growing like gangbusters. Eric worked with YouTube leaders Chad and Steve to establish a largely independent operating structure, with YouTube remaining in a separate office in San Bruno, about 25 miles from the main Googleplex. This is working well.

When we acquired Postini last year, we significantly enhanced our enterprise email capabilities and reinforced our commitment to serve the enterprise market. And by the time you read this, our acquisition of DoubleClick will have likely been cleared in Europe as well as the U.S. We are fortunate that DoubleClick's headquarters is in the same building as our Manhattan Googleplex, which will make for easier communication between the combined teams, now totaling a few thousand people. I believe DoubleClick's expertise in display advertising will be a tremendous addition to Google and will help open up new opportunities in this important market.

#### APPS

We have made tremendous strides in our web applications. I am writing this using Google Docs. I don't have to worry that my computer hard drive might fail and lose my work, because it is automatically being saved into the Google network cloud. Sharing what I write is easy. My colleagues can write and edit the live copy without having to email endless revisions (my writing needs a lot of revising!). You can also create spreadsheets and presentations in Docs. Every week, I approve a Google spreadsheet with a summary of every single hire we are making worldwide. With Google Apps, you can collaborate and share all types of documents and calendars with other people in your organization in seconds.

Gmail continues to enjoy tremendous growth, and now has a brand new implementation that's faster and makes it easier for us to add new features. Instant messaging within Gmail—which works right inside your browser with no installation—has been a big hit. We're also planning to roll out a plethora of new features. We are working hard to combine our many Apps offerings into a more coherent set of products that “just work.” I use Google Apps every day for all of my work.

Our products are improving quickly and have incredibly powerful sharing and chat functionality that wasn't possible before the web.

We've started the next phase in productivity software. That phase is about working with everyone seamlessly and effortlessly. Our goal is fast, easy access to create or share from any computer in the world. No futzing with software required. Just open your browser.

#### MOBILE

Android is our newly announced mobile phone platform. We've gathered more than 30 companies together into Android's Open Handset Alliance. The goals of Android are ambitious: We aim to make your phone work better than your computer. Android is very open, so you can run any software, just like a computer. Today, Android is released as a software toolkit for developers based on Linux, Java, and high-end web browser technologies. We and our partners are very much looking forward to having Android ship in real devices. We are excited about realizing the potential of that little computer in your pocket (your cool, web-centric Android phone).

In addition to Android, we endeavor to make all of our products work well with existing phones and have been quite successful with much greater usage in a wide variety of areas. We have been working to try to apply some of the open-access principles of the Internet to increase user choice and innovation in the mobile space. We also have been active with a 10% project focused on wireless spectrum, which has created a great deal of interest. We were successful in helping convince the US Federal Communications Commission to attach most of our desired openness principles to the ongoing 700 Mhz auction.

#### THE WORLD

It turns out the real world matters to people, in the form of maps, satellite images, business locations, bike paths, and all other types of geographic data. We are hard at work in all these domains. We even launched photographs of nearly everything at street level in 30 metro areas, integrated right into Google Maps (click the Street View button). Google Earth literally goes out of this world with a new Sky mode (just click on the Sky icon). You can see an amazing view of the night sky, complete with super-high resolution images from the Hubble telescope that you can zoom right into.

Speaking of the world, we don't want it to end—especially by environmental catastrophe. Consequently, we are working hard on our own considerable energy use in data centers by making them far more efficient. We're working directly on our own carbon/methane offsets to cover our usage. But we are all on the same Spaceship Earth, and we need to energetically address harmful emissions. To this end, we launched RE<C, an initiative to make renewable energy cheaper than coal-fired plants. We have started our own internal development effort, and have made investments in promising technologies. We are working on new clean technologies that could make more energy than we have now, and do it at a lower cost. Our goal is to generate a gigawatt (roughly enough to power San Francisco) of clean, cheap energy in years, not decades. If we are successful, we will not only help the world, but also make substantial profits.

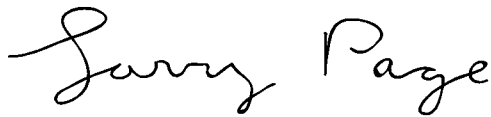
We continue our efforts to make Google more global. Google is available in 160 different local country domains and 117 languages (including some obscure ones like “Swedish Chef” —Bork, Bork, Bork). While Google is available virtually everywhere there is Internet access, our business operations are in just 20 countries. We are still working to establish a significant business presence in places such as the Middle East. As we expand our operations and hire our first employees in another country, that part of Google feels like a startup.

We started Google.org with the idea of eclipsing the impact of Google itself while focusing on more philanthropic causes. Though we are working on extremely tough problems in difficult locations, we have made significant strides. We have established several main focus areas, including predicting and preventing disease; improving public services by informing and empowering people; and increasing economic growth and job creation through stimulating small- and medium-sized enterprises.



#### CONCLUSION

By organizing the world's information and making it universally accessible and useful, we're helping people worldwide make better decisions and improve their lives. I feel lucky—I am lucky—to be involved in this important ecosystem of better information. While almost all of our effort is focused on important improvements to core search and advertising, the small percentage left over is producing a lot of important innovation and even more notice from the world. I could not be more excited about all the possibilities for Googlers to produce amazing computer experiences that their mothers and fathers—and hundreds of millions of other people—will use every day.



Larry Page  
*Co-Founder; President, Products*



Sergey Brin  
*Co-Founder; President, Technology*

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
Commission file number: 000-50726

**Google Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

77-0493581  
(I.R.S. Employer  
Identification Number)

1600 Amphitheatre Parkway  
Mountain View, CA 94043

(Address of principal executive offices)

(650) 253-0000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Name of Exchange on Which Registered</u>
Class A Common Stock, \$0.001 par value	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class  
Class B Common Stock, \$0.001 par value  
Options to purchase Class A Common Stock

Indicate by check mark if the Registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At June 29, 2007, the aggregate market value of shares held by non-affiliates of the Registrant (based upon the closing sale price of such shares on the Nasdaq Global Select Market on June 29, 2007) was approximately \$104,596,093,551. Shares of the Registrant's Class A common stock and Class B common stock held by each executive officer and director and by each entity or person that, to the Registrant's knowledge, owned 5% or more of the Registrant's outstanding common stock as of June 29, 2007 have been excluded in that such persons may be deemed to be affiliates of the Registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

At January 31, 2008, there were 236,750,181 shares of the Registrant's Class A common stock outstanding and 76,628,707 shares of the Registrant's Class B common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Registrant's Proxy Statement for the 2008 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the Registrant's fiscal year ended December 31, 2007.

**Form 10-K**  
**For the Fiscal Year Ended December 31, 2007**  
**INDEX**

**TABLE OF CONTENTS**

	<u>Page</u>
PART I	
Item 1. Business .....	1
Executive Officers of the Registrant .....	16
Item 1A. Risk Factors .....	18
Item 1B. Unresolved Staff Comments .....	31
Item 2. Properties .....	31
Item 3. Legal Proceedings .....	31
Item 4. Submission of Matters to a Vote of Security Holders .....	32
PART II	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities .....	33
Item 6. Selected Financial Data .....	36
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation .....	37
Item 7A. Quantitative and Qualitative Disclosures About Market Risk .....	60
Item 8. Financial Statements and Supplementary Data .....	62
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure .....	96
Item 9A. Controls and Procedures .....	96
Item 9B. Other Information .....	96
PART III	
Item 10. Directors and Executive Officers of the Registrant .....	97
Item 11. Executive Compensation .....	97
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters .....	97
Item 13. Certain Relationships and Related Transactions .....	97
Item 14. Principal Accounting Fees and Services .....	97
PART IV	
Item 15. Exhibits and Financial Statement Schedules .....	98

## PART I

### ITEM 1. BUSINESS

#### Overview

Google is a global technology leader focused on improving the ways people connect with information. Our innovations in web search and advertising have made our web site a top internet destination and our brand one of the most recognized in the world. We maintain the largest, most comprehensive index of web sites and other online content, and we make this information freely available to anyone with an internet connection. Our automated search technology helps people obtain nearly instant access to relevant information from our vast online index.

We generate revenue primarily by delivering relevant, cost-effective online advertising. Businesses use our AdWords program to promote their products and services with targeted advertising. In addition, the thousands of third-party web sites that comprise the Google Network use our AdSense program to deliver relevant ads that generate revenue and enhance the user experience.

We were incorporated in California in September 1998 and reincorporated in Delaware in August 2003. Our headquarters are located at 1600 Amphitheatre Parkway, Mountain View, California 94043, and our telephone number is (650) 253-0000.

#### Our Mission

Our mission is to organize the world's information and make it universally accessible and useful. We believe that the most effective, and ultimately the most profitable, way to accomplish our mission is to put the needs of our users first. We have found that offering a high-quality user experience leads to increased traffic and strong word-of-mouth promotion. Our dedication to putting users first is reflected in three key commitments:

- We will do our best to provide the most relevant and useful search results possible, independent of financial incentives. Our search results will be objective and we will not accept payment for inclusion or ranking in them.
- We will do our best to provide the most relevant and useful advertising. Advertisements should not be an annoying interruption. If any element on a search result page is influenced by payment to us, we will make it clear to our users.
- We will never stop working to improve our user experience, our search technology and other important areas of information organization.

We believe that our user focus is the foundation of our success to date. We also believe that this focus is critical for the creation of long-term value. We do not intend to compromise our user focus for short-term economic gain.

#### How We Provide Value to Our Users

We serve our users by developing products that let them more quickly and easily find, create, organize and share information. We place a premium on products that matter to many people and have the potential to improve their lives.

Some of the key benefits we offer include:

*Comprehensiveness and Relevance.* Our search technologies sort through a vast and growing amount of information to deliver relevant and useful search results in response to user queries. This is an area of continual development for us. When we started the company in 1998, our web index contained approximately 30 million documents. We now index billions of web pages and strive to provide the most comprehensive search experience possible. Our team continually improves our relevance algorithms to objectively determine the best answers to our users' queries and to place these answers at the top of our search results. We are also constantly developing new functionality and enhancing our offerings to allow our users to more easily and quickly find information.

*Objectivity.* We believe it is very important that the results users get from Google are produced with only their interests in mind. We do not accept payment for search result ranking or inclusion. We do accept fees for advertising, but the advertising is clearly marked and separated and does not influence how we generate our search results. This is similar to a newspaper, where the articles are independent of the advertising. Inclusion and frequent updating in our index are open to all sites free of charge. We believe it is important for users to have access to the best available information, not just the information that someone pays for them to see.

*Global Access.* We strive to provide our services to everyone in the world. Users from around the world visit our destination sites at Google.com and our international domains, such as Google.ba, Google.dm, Google.nr, Google.co.jp and Google.ca. The Google interface is available in 116 languages. Through Google News, we offer an automated collection of frequently updated news stories in 18 languages tailored to 45 international audiences. We also offer automatic translation of content between various languages and provide localized versions of Google in many developing countries.

*Ease of Use.* We have always believed that the most useful and powerful search technology hides its complexity from users and gives them a simple, intuitive way to get the information they want. We have devoted significant efforts to create a streamlined and easy-to-use interface based on a clean search box set prominently on a page free of commercial clutter. We introduce new navigational or informational features when we believe they will be most useful to our users, and only after extensive usability testing and experimentation.

*Pertinent, Useful Commercial Information.* The search for information often involves an interest in commercial information—researching a purchase, comparing products and services or actively shopping. We help people find commercial information through our search services and advertising products. We also present advertisements that are relevant to the information people seek. Our technology automatically rewards ads that users prefer and removes ads that they do not find helpful.

*Multiple Access Platforms.* Mobile devices are a fundamental development platform for us. Many people around the world have their first experience of the internet—and Google—on their mobile phones or other mobile devices. We have continued to invest in improving mobile search and have introduced applications that allow users to access search, email, maps, directions and satellite imagery through their mobile devices.

## **Products and Services for our Users**

Our product development philosophy involves rapid and continuous innovation, with frequent releases of early-stage products that we seek to improve with every iteration. We often make products available early in their development stages by posting them on Google Labs, at test locations online or directly on Google.com. If our users find a product useful, we promote it to “beta” status for additional testing. Once we are satisfied that a product is of high quality and utility, we remove the beta label and make it a core Google product. Our main products and services are described below.

### ***Google.com—Search and Personalization***

We are focused on building products and services on our web sites that benefit our users and let them find relevant information quickly and easily. These products and services include:

*Google Web Search.* In addition to providing easy access to billions of web pages, we have integrated special features into Google Web Search to help people find exactly what they are looking for on the web. The Google.com search experience also includes items like:

- *Advanced Search Functionality*—enables users to construct more complex queries, for example by using Boolean logic or restricting results to languages, countries or web sites.
- *Web Page Translation*—automatically translates web pages published in 12 languages, including Arabic, Chinese, French, German, and Spanish, into English, or vice versa.

- Integrated Tools—such as a spell checker, a calculator, a dictionary and currency and measurement converters.
- Search by Number—lets people do quick searches by entering shipping tracking numbers, vehicle ID numbers, product codes, telephone area codes, patent numbers, airplane registration numbers and electronic equipment ID government numbers.
- Cached Links—provides snapshots of web pages taken when the pages were indexed, letting users view web pages that are no longer available.
- Movie, Music and Weather Information—enables people to quickly and easily find movie reviews and showtimes, information about artists, songs and albums and weather conditions and forecasts.
- News, Finance, Maps, Image, Book and Groups Information—when relevant, we also display results from other Google products including Google News, Google Finance, Google Maps, Google Image Search, Google Book Search and Google Groups.

*Google Image Search.* Google Image Search is our searchable index of images found across the web. To extend the usefulness of Google Image Search, we offer advanced features, such as searching by image size, format and coloration and restricting searches to specific web sites or domains.

*Google Book Search.* Google Book Search lets users search the full text of a library-sized collection of books to discover books of interest and to learn where to buy or borrow them. Through this program, publishers can host their content and show their publications at the top of our search results. We also work closely with participating libraries to digitize all or part of their collections to create a full-text searchable online card catalog. Google Book Search links bring users to pages containing bibliographic information and several sentences of the search term in context, sample book pages, or full text, depending on author and publisher permissions and book copyright status.

*Google Scholar.* Google Scholar provides a simple way to do a broad search for relevant scholarly literature including peer-reviewed papers, theses, books, abstracts, and articles. Content in Google Scholar is taken from academic publishers, professional societies, preprint repositories, universities, and other scholarly organizations.

*Google Base.* Google Base lets content owners submit content that they want to share on Google web sites. Content owners can describe and assign attributes to the information they submit and Google uses this descriptive content to better target search results to what users are looking for.

*Google Webmaster Tools.* Google Webmaster Tools provides information to webmasters to help them enhance their understanding of how their web sites interact with the Google search engine. Content owners can submit sitemaps and geotargeting information through Google Webmaster Tools to improve search quality.

*Google Finance.* Google Finance provides a simple user interface to navigate complex financial information in an intuitive manner, including linking together different data sources, such as correlating stock price movements to news events.

*Google News.* Google News gathers information from thousands of news sources worldwide and presents news stories in a searchable format within minutes of their publication on the web. The leading stories are presented as headlines on the user-customizable Google News home page. These headlines are selected for display entirely by a computer algorithm, without regard to political viewpoint or ideology.

*Personalized Homepage and Search.* Our Google.com personalized homepage gives our users a way to add the information they care about most to their own version of the Google homepage. Personalized homepages bring together content from across the web and other Google properties, such as Gmail and Google News, in ways that are useful to our users. Personalized Search gives our users better search results based on what they have searched for in the past, making it easier to quickly find the information that is more relevant to them. Users can also view and manage their history of past searches and the results they have clicked on, and create bookmarks with labels and notes.

*Google Co-op and Custom Search.* Google Co-op extends the power of Google's search technology by combining our algorithms with the context, knowledge and expertise of individuals. Google Custom Search allows communities of users familiar with particular topics to build customized search engines. These customized search engines allow them to help improve the quality of search results by labeling and annotating relevant web pages or by creating specialized, subscribed links for users to get more detailed information about a particular topic.

*Google Video and YouTube.* Google Video and YouTube let users find, upload, view and share video content worldwide.

### ***Communication, Collaboration and Communities***

Information created by a single user becomes much more valuable when shared and combined with information from other people or places. Therefore our strategy for products we develop in this space is simple: develop tools for our users to create, share and communicate any information generated by the user, thus making the information more useful and manageable. Examples of products we have developed with this strategy in mind include:

*Google Docs.* Google Docs allows our users to create, view and edit documents, spreadsheets, and presentations from anywhere using a browser. These documents are useful to our users as they are accessible anywhere internet access is available, manageable as they are stored within our servers and automatically backed up, and shareable in that they allow real time editing with co-workers and friends over the internet.

*Google Calendar.* Google Calendar is a free online shareable calendar service that allows our users to keep track of the important events, appointments and special occasions in their lives and share this information with anyone they choose. In addition, web sites and groups with an online presence can use Google Calendar to create public calendars, which are automatically indexed and searchable on Google. Google Calendar uses open calendar standards so the product co-operates with other calendar applications and devices.

*Gmail.* Gmail is Google's free webmail service that comes with built-in Google search technology to allow searching of emails and over 6,300 megabytes of storage, allowing users to keep their important messages, files and pictures. In addition, we have integrated our instant messaging product into Gmail. We serve small text ads that are relevant to the messages in Gmail.

*Google Groups.* Google Groups is a free service that helps groups of people connect to information and people that interest them. Users can discuss topics by posting messages to a group, where other people can then read and respond. Google Groups now contains more than one billion messages from Usenet internet discussion groups dating back to 1981. The discussions in these groups provide a comprehensive look at evolving viewpoints, debate and advice on many subjects.

*Google Reader.* Google Reader is a free service that lets users subscribe to feeds and receive updates from multiple web sites in a single interface. Google Reader also allows users to share content with others, and function with many types of media and reading-styles.

*orkut.* orkut enables users to search and connect to other users through networks of trusted friends. Users can create, join or manage online communities, personal mailboxes, photos, and a profile.

*Blogger.* Blogger is a web-based publishing tool that lets people publish to the web instantly using weblogs, or "blogs." Blogs are web pages usually made up of short, informal and frequently updated posts that are arranged chronologically. Blogs can facilitate communications among small groups or to a worldwide audience in a way that is simpler and easier to follow than traditional email or discussion forums. Blogger now features improved spam protection and is available in nine languages.