

Testimony of David Sable
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House Committee on the Judiciary
Task Force on Competitive Policy and Antitrust Laws

Hearing on Competition on the Internet

July 15, 2008

Statement of David Sable, Vice Chairman and Chief Operating Officer, Wunderman

Before

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In The Matter of Google and Yahoo

Chairman Conyers, Ranking Member Chabot and honorable members of the Task Force, my name is David Sable and I am Vice Chairman and COO of Wunderman, the world's largest Marketing Services network and a leader and innovator in digital marketing. In that capacity I work with consumer and business-to-business companies, content providers and across all communications channels, globally, helping to develop compelling programs that allow our clients to create valued relationships with their own customers and consumers. Microsoft is in fact, one of my many clients; and Google is a channel that Wunderman is deeply involved with as we are Google's client in this capacity.

Thank you for allowing me the opportunity to provide a perspective on the Google-Yahoo deal and what I consider to be not just the future of Internet Advertising but the future of the Internet as a free and open medium.

Let me begin by stating that I am a Google user. I search. I use Picassa. I have a Gmail account. I also believe that Google rose to success on a simple insight – simple yet brilliant. In a landscape populated by “Portals” and cluttered websites Google gave users a pure and simple way to get to where they needed to go and to find what they wanted to find – Google created the “entry bar” on a plain white background.

And how that bar changed our lives! Search became effortless. Anyone could do it. And the Google Brand was easy to remember – it only did one thing. Soon people were using Google like a Nav Bar and they became the default on-line ramp of more and more of us around the world.

But all too soon, the world began to change. Turns out Google was watching us and analyzing our behavior and web journeys' from Day One. The pure white morphed and advertising based on our activities began to appear as did further plans for more and ever more targeted messaging and ever more applications designed to capture even more of our behavior.

So far so good – I was willing to pay the price – Google fulfilled my needs, so Google could have the data. And frankly, Google said it was all “blind” and anonymous anyway – and I believed them...

From a professional perspective I had no issue either. While many of our Advertising and Media colleagues worried that they were getting disintermediated by Google, Wunderman saw the opportunity to pick up the consumer/user at the “off-ramp” as soon as they hit the page to which they were directed. Portals and websites as linear click-through experiences were dead. Web users wanted to find specific pages focused offers and desired the ability to transact as quickly and as efficiently as possible, Google helped to enable this desire and, Wunderman built a practice helping clients make better use of search. Google was good for our business.

So why am I worried about the proposed deal between Google and Yahoo?

On the most basic of levels my American, anti-monopoly hackles have risen as the market share that such a deal would represent will eliminate any notion of free and open enterprise. It is an agreement that would create fixed prices, destroy a, currently, competitive market and it would virtually eradicate any sense of auction style bidding.

However, I believe, that is only a part of the issue and I know that you have covered this part of the topic in great depth. Allow me to take a slightly different tack.

Search is all about the algorithm, and the algorithm is all about control. And, if you control the algorithm you effectively control the information it presents. Think about it – by restricting or pushing potential search results – at the most benign level – Google will have even more influence on pricing – bringing up or suppressing topics at will. At the more Machiavellian level, do we really want Google controlling the answers to everything and anything we ask? Think about it. With few other search options and the built in lethargy and inertia that web users portray when it comes to switching a monopoly in this arena, is ill advised.

I don't believe that any single entity should ever wield that much power, influence or control.

So while my objections begin with the notion of monopoly – it is my fear of what Google or any company could do with that position of un-bridled power that makes me oppose the proposed partnership/merger.

I much prefer to see Google remain the important and competitive player that is – spurring all of us to an even more competitive environment.