

establish a similar operation for film and video. The recently relaunched MySpaceTV is the No. 2 video site on the Internet, behind only YouTube. It offers everything from News Corp.-produced clips of *The Simpsons* to homemade video of your kid's sixth-birthday party. Ford Models paid to include videos promoting its "supermodel of the world" contest. One has been viewed about 72,000 times.

Facebook, meanwhile, has never licensed rights to a single song or video and probably never will. And for the record, its headquarters are on University Avenue in Palo Alto, ground zero for the technology industry, where the parties mostly happen when the employee Ultimate Frisbee team beats Google. Otherwise people pretty much just work all night, writing software, tweaking features—and giving hardly a thought to MySpace.

ALAS, MYSPACE'S Facebook obsession is unrequited. DeWolfe and Anderson insist that Facebook is competition, even as they cite a comScore statistic that 65% of Facebook users also have a MySpace account. Mark Zuckerberg disagrees. "I've never really considered us competitors," he says. "We've always been trying to do pretty different things, even though we're both in the social-networking space." Anderson is annoyed that Zuckerberg has said the same thing to him on several occasions when they've talked in person or text-messed on their cellphones. And so it goes.

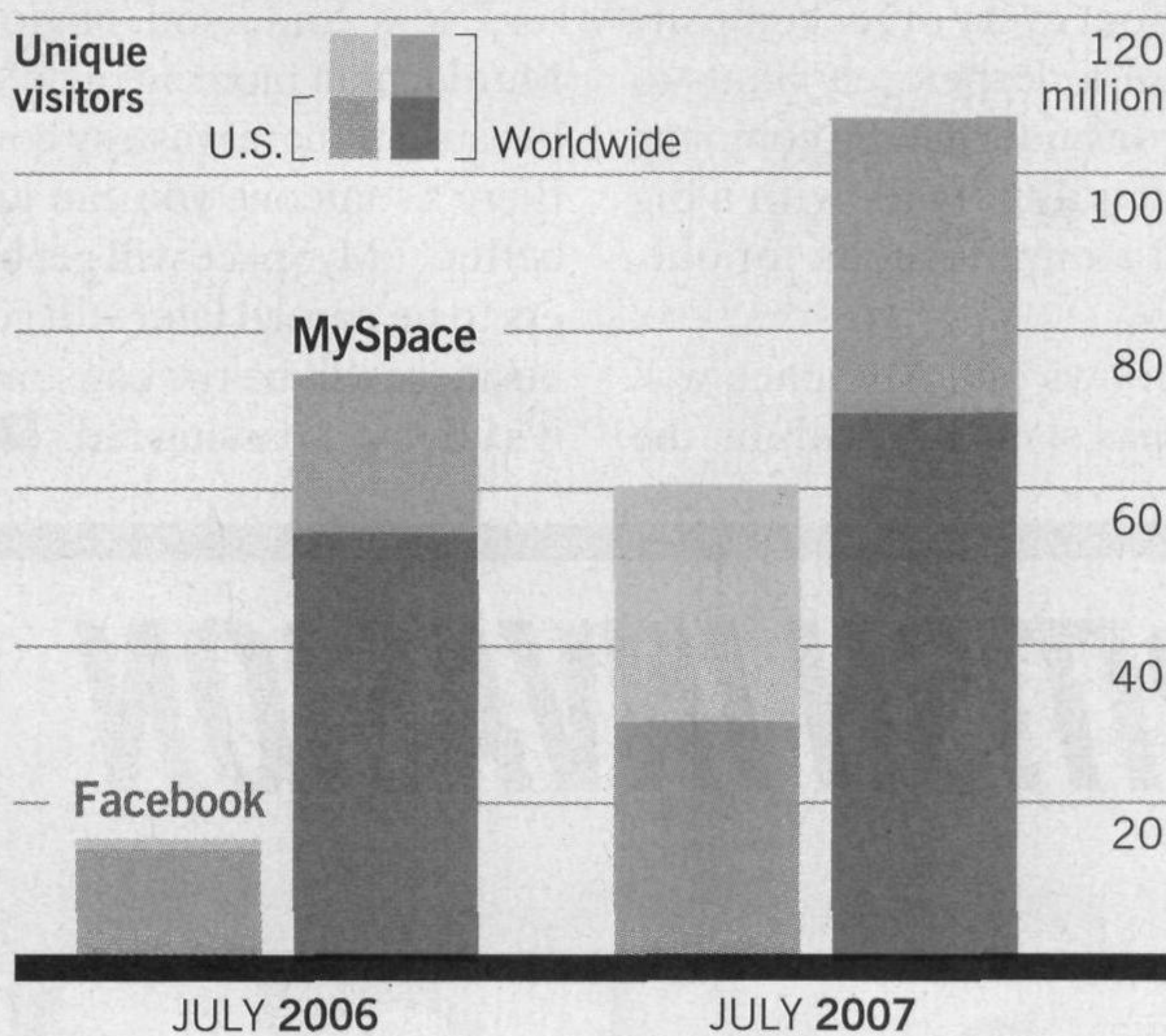
It's not hard to see why Anderson and DeWolfe see Facebook as a threat. Although Zuckerberg may not be directly attacking MySpace, he's doing a good job of making it easy for other companies to do just that. In late May, Facebook announced it would open up its site—and access to its 41 million members—to software created by anyone, from the largest software companies to dorm-room hackers. That made it, Zuckerberg said, a "platform." There are now more than 4,000 new applications on Facebook—and most of the popular ones replicate features already on MySpace.

Any talk about Facebook and its platform is a great way to spoil the mood around the MySpace offices. It's that defensiveness again. "MySpace has always been a platform," DeWolfe insists. "We have an open platform." What he means is that MySpace allows small software applications, known as "widgets," to appear on the site.

Another way to sour a conversation with the genial DeWolfe is to talk about privacy. Since MySpace places so few limits on who and what can have a presence on it, the service is notoriously hard to police. Users often operate anonymously. There has also been the infamous problem of sexual predators. The service has implemented a va-

I GOT MORE "FRIENDS" THAN YOU DO

FACEBOOK IS EXPANDING FASTER. BUT MYSPACE IS STILL THE LEADER, AND THERE'S ROOM IN THE WORLD FOR MORE THAN ONE SOCIAL NETWORK.



SOURCE: COMSCORE MEDIA METRIX

riety of new privacy protections in the past year, and DeWolfe insists the new protections have made MySpace just as safe as Facebook. But on Facebook, protections are built in as the default, and one can achieve little operating under an assumed name. To get comparable privacy on MySpace requires both vigilance and time. Many members simply don't bother.

IF MYSPACE IS INCREASINGLY taking on the complexion of a big multinational media company, that's understandable, considering who owns it. Rupert Murdoch has put his stamp on his acquisition, especially by pushing it to go global, which now gives it a distinct advantage over

the competition. Murdoch visits the hipster-filled headquarters at least once a month, peppering DeWolfe with questions about membership numbers and sign-up rates. In early 2006, DeWolfe enthusiastically told him that MySpace was about to open its first international site, in Britain. "I was so excited about it," says DeWolfe. "And he's like [mimicking a deep slow Australian voice], 'How many more this year?' and I said, 'Maybe a couple more.' Then he said, 'How about 12?' So we ended up opening 14." (For more on the international scene, see "Bebo's British Invasion.")

Anderson has his own Rupert stories: "He called me once and couldn't log in for some reason. I was trying to help him over the phone, saying, 'Type this. Type that. What do you see on your screen?' And he says, 'It says, 'Welcome John.' And I'm like, 'John? Why does it say John?' and he says [affecting his own version of the deep, slightly cranky voice], 'I don't use my real name on MySpace.'"

So how is it really going, Chris and Tom? "That this has worked out so well and we both hope to be around for a long time is, I think, a really unique story," expounds DeWolfe, as Anderson nods. "We're almost at our two-year anniversary with News Corp. and

we're probably going to sign up for another two years, and ..." Wait a minute. Probably? When pressed, he looks sheepish. "I don't know," he says, glancing nervously at his PR person. He hesitates. "We may stay with the company." MySpace's top two employees have spent several months negotiating a renewal of their two-year contract, and it's not a sure thing. They didn't own much stock in the parent company that News Corp. acquired, so for all their successes they have not had a big Internet payout. The two have reportedly pushed for a \$50 million, two-year pact and encountered resistance. To be fair, there is every sign they are deeply engaged in their work and are unlikely to leave. DeWolfe's hesitation in our interview could merely be a negotiating tactic.

Murdoch, for his part, is clearly trying to leverage his success with MySpace to gain an

"IF YOU WANT PINK BLINKING TEXT ON A BLACK BACKGROUND," ASKS PEARMAN, "WHO AM I TO SAY IT'S WRONG?"