

Sometimes its hard to tell if people are trying to be funny, mean, interesting, provocative or are just plain stupid or completely out of touch with reality. I know I get accused of being all of the above all the time.

The other day in New York I gave a speech at the AlwaysOn Conference which AdWeek summarized nicely [here](#). The audience was primarily newspapers and people related to their business. So as I do when I speak to a group like this, rather than just shilling a product, service or position as many, if not most keynote speakers do, I try to put myself in the business shoes of the audience. Then I discuss what I would do if I owned, ran or invested in their business, and the approach I would take to some of the strategic issues of the day.

The concept of directing comments to a vertical segment of a market is nothing new. I have been doing it for more than 20 years. Yet for some reason, based on comments from a few folks over the past couple days, there are some relatively high profile people in the internet business that have a tough time grasping that concept. [Tech Crunch](#) – a site I love. [SearchEngineLand](#) – Run by Danny Sullivan, I think he Danny likes to banter to create traffic, smart on his part. But I also think he doesn't fully understand all the business elements on some of the topics he has challenged me on. Then there is Jeff Jarvis who always like to slam me. Which is ok by me. I just consider the source. As Jeff describes himself "Most of my holdings today are in mutual funds because I'm a lousy investor." Which tells me all I need to know about his business knowledge.

While its fun to make a list of those who have criticized me, the criticism is incredibly valuable. As a businessperson and one who tries to stay ahead of the technology and business curve, even when it means taking a position that is far from popular, critics serve the purpose of always "making you check your hole card" . In other words, the more a position I take gets challenged, the smarter I get on the position. So the criticism is welcome.

Of course the criticism can be fun for me to challenge and also wrong. Which much of the criticism of my Newspaper Industry speech is.

Danny Sullivan thought he had caught in some hypocritical act because I am an investor in [Mahalo](#), a human powered search engine that leverages SEO techniques to increase traffic and revenue. First of all, I invested in Mahalo in 2006 . Not yesterday as Danny would seem to imply. Nor am I involved in the day to day management of the company. Im always available to answer questions when they ask. Which they do every so often.

Second, EVERY presentation or discussion of actions I thought the newspaper industry should take ALWAYS had the qualifier that the newspaper had significant amounts of unsold inventory. My point being that if the traffic Google was sending you was not being monetized and you didn't see a way to monetize the traffic, it was time to make a business decision reconsidering the value equation of traffic coming from Google or Google News vs the strategic implications of staying in their index and offerings. [Topics I discussed in my last blog post](#). I also discussed in a [prior blog post](#), but unfortunately didnt have time to cover in my 12 minute keynote at Always On, that [twitter and facebook were becoming significant sources of traffic](#) to newspaper sites. A fact that should be considered in the value equation and which in the long run could become a threat to Google's Search and News . (a point Im sure Google has also taken note of )

We increasingly look to friends and/or our social networks as a trusted source for information, and because that information is broadcast to us rather than us having to go find it, and because Twitter and Facebook updates are not going to be competitive threats to the newspaper business, leaving Google is no longer unimaginable for Newspapers. In the case of Mahalo, unlike newspapers, they are making good money from Google traffic. No reason to stop doing that. On the flipside however, its fair to point out that Mahalo does use some newspapers content to support their content. If a newspaper would ask me if they should block Mahalo, the fair answer would be that there is no reason not to. Like Google, the traffic from Mahalo would not justify the value Mahalo gets from their content. If the CEO of Mahalo were to ask me how Mahalo should deal with newspapers, I would tell him he should work out a licensing deal with the newspapers. That it would be found money for newspapers, so he could most likely get some level of exclusivity on their content in exchange for a minimal amount of money that would be in the form of an advertising revenue share from pages that host their content. It would be a simple revenue arbitrage for him while also giving him a nice differentiator that would allow him to promote being an exclusive source of content from companies he worked out deals with.

Moving on to TechCrunch, Michael Arrington asks the question of why I could be so enthusiastic about [Techmeme](#), a site that I use regularly and to which I point to from my blogroll. I think his point is that its an aggregator and as such, shouldn't I be cautioning newspapers about Techmeme and warning them to opt out of it ? In response I will refer back to my references about monetizing and leveraging Google traffic. My rule for ANY site receiving traffic from an aggregator of ANY kind is: If you believe you can create more value from the traffic you receive than potential negative branding implications plus the cost of supporting a potential competitor, then continue with the aggregator. If not, block the aggregator. In the case of techmeme, I dont see it ever originating content from the site. So I would strike the competitive aspect of it. Nor does Techmeme attempt to index the entire internet looking for sources. Instead, if i understand it correctly, Gabe Rivera, the guru behind techmeme personally cultivates the sources he includes in the techmeme index. Because this is purely a tech driven site, and given that participating sites must be "selected", I would argue that there actually is brand enhancement to being identified as a source on techmeme. That said, in the event you think that techmeme is gaining more value from your site, than your site is from techmeme, Gabe offers a ["leaderboard"](#) where you can check to see just how important you are to the site. I am sure that Gabe would be happy to exclude you from the site if that is your conclusion.

The same applies to one of my other investments, [icerocket.com](#) . Icerocket was formed in 2004 to be a real-time search engine. I wanted to be able to search blogs for information that I thought was important and also have those search results continuously available to me through RSS feeds. It was and is the most expedient manner to keep up with what the blogosphere is saying about a topic. Icerocket's strength has always been its ability to exclude spam. To this day it does a better job than Google or any other search engine that includes blogs at finding and giving you real results. When twitter hit the scene, it was a natural to include twitter results as well. IMHO, and [in the opinion of others](#), Icerocket is as good or better than any other real time search engine out there. Should your site stay in the Icerocket index ? That is up to you. If you would like to see your blog posts or tweets gain more visibility, then Icerocket will help you. We aren't the biggest, but our real-time search is growing very, very quickly.

Which gets me to the necessary conclusion. The reality of today's business world is that there are no absolutes. If I invest in a search index or aggregator, that doesn't mean I believe every website in the world should be in the index. It means I believe that the business can offer enough value to those it has a relationship with to make that relationship win-win. Nor does it mean that a company is "evil" or that I don't like it. Its real world that you will compete with companies that you do business with. [Superfeedr.com](#) is a business I have invested in for realtime push of information that works with information aggregators and content creators of all types that compete with other businesses I own. So does [SMASH](#) , which does cookies for Text Messaging. So what.

Every business has its own decision making critical path that must be re-evaluated daily. For some reason, many of the internet persuasion seem to think that 2010 is the same as 2009, which is the same as 2008, etc, etc. Its not. Things change. Every business must re-examine the variables that impact their current and future profitability. Your relationships with Google, Mahalo, Icerocket, in 2010 may need to be different than they were in 2006. This seems like an obvious conclusion to me, but it apparently isn't to some.