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**Dave McClure** • Jul. 08, 2009

There is an old Japanese proverb that says, "If you sit by the river long enough, you will see the body of your enemy float by."

Don't expect Microsoft to exhibit that kind of patience, now that Google has issued a direct challenge to the MS supremacy in PC operating systems. Vowing to offer a new system based on its Chrome web browser, Google unabashedly says it is going to war with the intention of killing Microsoft.

I wish them luck.

It isn't just that we've seen this before (McIntosh, WordPerfect, Unix, Ubuntu, etc.). There's also the question of what motivates the two companies to excel. Microsoft wants to sell products to people that will bring them back to buy more products. Google appears to want to sell products that allow them to track and extract data from people that they can sell to their advertising partners.

And while I'm not always a fan of what the guys in Redmond do, I also have to note that they've been at this game a lot longer than Google has. They may be older, but they are therefore wiser and more skilled at the marketing in-fightin needed to win such a war. And while both companies are well capitalized, Microsoft is moving boldly in three areas that should have Google concerned:

Bing. Right now, Google is still primarily a search engine. Its revenue derives from advertising, which in turn is greatly tied to advertising from that engine. So when Microsoft announced its new search engine called Bing, it largely began the war with Google. Remember, Microsoft often enters markets it cannot win — if for no other reason to bleed competitors enough to keep them away from Microsoft's core businesses. That happened with Corel, and could be happening again with Bing, which to all appearances is an upgrade to the venerable search engine.

System 7. Sure, Vista was not the operating system everyone wanted. But it did push

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and you have another major piece Google can't compete against.

The bottom line is this: Google didn't declare war on Microsoft, but vice versa. The launch of Bing was an act of war that Google could not overlook. It remains to be seen whether it is a war that Google can win.

Personally, I have my doubts. Like America Online before it, Google is making three major blunders in its efforts to dominate the world. First, it is moving too fast in too many directions. Books, art libraries, geo-mapping, web browsers, email and more — Google can't seem to decide what business it wants to be in.

Second, Microsoft has spent 25 years building relationships with other players in the industry. Google, a relative newcomer, seems more inclined to try to buy its friends — and alienate other key players by insulting or assaulting them. They may be going to war without allies, which is dangerous and foolhardy.

Finally, it is attempting to overcome marketing deficiencies with political sleight-of-hand. Sure, Google has great ties to the Obama Administration. But its reputation in Congress and with the FCC have been badly damaged by its efforts to “game” the spectrum auctions for wireless and by the Network Neutrality debate (which Google initiated and then abruptly abandoned).

No matter how this turns out, it will make for an interesting winter in the tech world. I plan to settle in to a comfortable chair with a bottle of good Cabernet and some popcorn to watch the show.

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