

Yahoo Tries to Move Past Takeover Status

Stephanie Clifford

YAHOO has been very much in the headlines these days, much to its chagrin. But on Wednesday the company set out to make news of its own, describing a menu of deals in the online advertising realm.

The deals are mostly small ones, but the all-at-once grouping suggests that Yahoo is trying to shape its own image after months of being described as takeover bait. The announcement came a day after the investor Carl C. Icahn proposed that Jerry Yang, the chief executive of Yahoo, should be ousted over the way he handled Microsoft's bid for the company.

Despite Yahoo's efforts to spread the news of its deals — one with Wal-Mart Stores, one with CBS and another with the advertising agency Havas Digital — people who follow the company seemed more interested in the status of Yahoo's talks with Microsoft. In discussing the arrangements at an advertising conference Wednesday morning, the president of Yahoo, Susan L. Decker, said that talks with Microsoft were "ongoing," and that seemed to be the tidbit people seized on.

In a meeting with reporters over lunch, Ms. Decker was asked to clarify what she meant by "ongoing." "Just that," she said. "Microsoft said they're talking with us about partnerships, and we are."

•

As for the Yahoo deals: one, perhaps the most prominent, was a pact to sell display advertisements on Walmart.com. Although another agency also sells these ads, Yahoo will be the only portal that is allowed to resell the inventory.

Yahoo will be able to use consumers' browsing and purchase histories on Walmart.com to select ads for individuals, said Todd Teresi, senior vice president of the Yahoo publisher network. For instance, if a Walmart.com visitor puts a digital camera in the shopping cart but does not buy it, Yahoo could serve a Nikon ad when the visitor returns to Walmart.com, or when the same person checks his Yahoo mail account, Mr. Teresi said.

For now, consumers can opt out of this feature through the Walmart.com privacy policy. But the companies are working on easier options, like putting opt-out links in the ads themselves, Mr. Teresi said.

Yahoo already has a similar deal with eBay. Through eBay and Walmart.com — and Yahoo's shopping portal — the company's ads will be able to reach 76 percent of retail shoppers online, Mr. Teresi said.

A second deal was with Havas Digital, the large advertising agency whose clients include Air France, Nike and Danone. Havas Digital will use Yahoo's Right Media as its main advertising exchange, which is an auction site for buying and selling advertising inventory on the Web.

Nate Woodman, a senior vice president at Havas Digital, said the partnership meant that his agency could integrate its data with the Right Media exchange and with Yahoo's data and build applications that worked with Right Media. Havas Digital is a unit of Havas. Yahoo struck a similar deal with the advertising holding company WPP last month.

Yahoo also announced it had added 94 newspapers, including The Chicago Sun-Times and The Milwaukee Journal Sentinel, to its newspaper consortium, bringing the total to 779. The consortium distributes the contents of the newspapers across Yahoo's network and lets the newspapers' sales forces sell advertisements on Yahoo to its clients, based on geography. (So far, though, only 50 of the members are doing that, through a pilot program.)

Yahoo's newspaper consortium competes with quadrantONE, a similar venture that is owned by the Tribune Company, the Gannett Company, the Hearst Corporation and The New York Times Company. Some companies that are members of quadrantONE are also members of Yahoo's consortium.

"I don't think they fully appreciate the power of distribution, and they worry about becoming dependent on a particular partner," Mr. Teresi said, referring to the quadrantONE backers.

Separately, Yahoo announced that it had set up a program to permit retailers to send circular offers, like those that typically run in Sunday newspapers, to consumers on Yahoo's network.

Finally, it announced that it had joined the CBS Audience Network, which means that it can start showing full-length and short-form clips from CBS shows. Yahoo is a little late to the game here, since CBS has already assembled more than 300 sites in this network, from big ones like YouTube and MSN to niche ones like Veoh and Fancast.

•

Yahoo still has other tricks up its sleeve. Ms. Decker referred to a plan to inject the portal with social networking technology. For example, she said, one day people may be able to log on to Yahoo e-mail and see messages from the people they correspond with the most at the top. Or, when visiting Yahoo Music, they could see what music their friends are listening to.

"The idea is to ignite the social graph across all properties," Ms. Decker said. This also means opening up Yahoo's platform to allow developers to write applications, the way Facebook does.

"We think a lot of what Yahoo did in the last few years was catch up," she said, adding that Yahoo is now at the point where it can innovate.

Nevertheless, it is clear that Yahoo's attention is divided. On Wednesday Mr. Icahn sent a letter to Roy Bostock, Yahoo's chairman, that accused Mr. Yang of trying to sabotage the Microsoft acquisition by setting up a generous retention plan for employees that would kick in if a takeover took place.

Mr. Icahn is seeking to replace the Yahoo board, and said he would oust Mr. Yang if he were successful. Yahoo will hold a shareholder meeting on Aug. 1.

Ms. Decker, at the lunch meeting, reaffirmed her support for Mr. Yang.

"There's no one as passionate and knowledgeable about the company than Jerry," she said. "The book is not finished. It's being written, in terms of the plans we've put in place and the products we're about to launch."

Disponível em: <<http://www.nytimes.com>>. Acesso em 5/6/2008.