

## Google doesn't expect other firms to take on China

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The logo of Internet giant Google is reflected in the windows of its China head office in Beijing. Chief executive of the firm Eric Schmidt has said that he does not expect other companies to follow the company's lead and take on the Chinese authorities.

Google chief executive Eric Schmidt has said that he does not expect other companies to follow the Internet giant's lead and take on the Chinese authorities.

"Google is an unusual company," Schmidt said in a speech here to the annual conference of the American Society of News Editors (ASNE), which brings together top US newspaper editors and members of other news organizations.

"The principles of the company were set out pretty early when we went



public," he said. "We have the ability to make decisions without a lot of short-term financial focus.

"I expect that most other companies either don't agree with our principles or, more likely, they agree with our principles but mechanically they can't do it," Schmidt said of the decision to challenge Beijing over <u>Web censorship</u>.

"And so I suspect that you won't see a lot of others but there's always the possibility," he said.

Google's decision last month to stop censoring its Chinese-language search engine to protest censorship and Chinese-based cyberattacks has not been met with any similar moves from other US technology giants.

Schmidt, whose company has come under fire from some US newspaper editors for linking to their stories through Google News without paying for them, also challenged US newspaper editors to take advantage of the power of the Internet.

He said the newspaper industry, which has seen <u>advertising revenue</u> plummet and circulation erode as readers consume free news online, has a "business model problem" and not a "news problem."

"You're going to have to run some experiments," he said. "The good news is you have lots of readers and they're spending more and more time looking at your content."

"New forms of making money will develop," he said. "I am convinced that high-quality journalism will triumph because I am convinced that it is essential to the functioning of modern democracies."

Schmidt said devices such as Amazon's Kindle and Apple's iPad offer



new opportunities to the newspaper industry through subscriptions.

"Eventually that model should have higher profitability because there's lower cost of goods, you don't have the newspaper printing costs and the distribution costs," he said.

Schmidt said Google wanted to help newspapers make money and that <u>Google</u> News drives traffic to newspaper websites.

"We want you to have tools and technologies which will allow you to make a lot of money from those users," he said.

"There's every reason to believe that eventually we'll solve this and ultimately bring some significant money into this thing," he said.

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